

**CLEAN ENERGY AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Carl R. Albrecht**

Senate Sponsor: Derrin R. Owens

---

---

**LONG TITLE**

**General Description:**

This bill modifies provisions relating to clean energy.

**Highlighted Provisions:**

This bill:

- ▶ changes the term renewable to clean where appropriate in statute.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**10-9a-401**, as last amended by Laws of Utah 2023, Chapter 88

**10-19-102**, as last amended by Laws of Utah 2010, Chapters 119, 125 and 268

**10-19-201**, as enacted by Laws of Utah 2008, Chapter 374

**10-19-202**, as enacted by Laws of Utah 2008, Chapter 374

**10-19-301**, as enacted by Laws of Utah 2008, Chapter 374

**11-13-218**, as last amended by Laws of Utah 2016, Chapter 371

**11-17-2**, as last amended by Laws of Utah 2020, Chapter 354

**11-42a-102**, as last amended by Laws of Utah 2023, Chapter 16

**11-42a-103**, as enacted by Laws of Utah 2017, Chapter 470



- 28 [11-58-102](#), as last amended by Laws of Utah 2023, Chapters 16, 259
- 29 [11-58-203](#), as last amended by Laws of Utah 2022, Chapter 82
- 30 [11-59-102](#), as last amended by Laws of Utah 2023, Chapters 16, 263
- 31 [11-59-202](#), as last amended by Laws of Utah 2023, Chapter 139
- 32 [11-65-101](#), as last amended by Laws of Utah 2023, Chapter 16
- 33 [11-65-203](#), as enacted by Laws of Utah 2022, Chapter 59
- 34 [11-68-201](#), as renumbered and amended by Laws of Utah 2023, Chapter 502
- 35 [17-27a-401](#), as last amended by Laws of Utah 2023, Chapters 34, 88
- 36 [17-50-335](#), as last amended by Laws of Utah 2020, Chapter 354
- 37 [17B-1-202](#), as last amended by Laws of Utah 2023, Chapter 15
- 38 [17D-1-201](#), as last amended by Laws of Utah 2021, Chapter 339
- 39 [54-17-502](#), as enacted by Laws of Utah 2008, Chapter 374
- 40 [54-17-601](#), as last amended by Laws of Utah 2010, Chapters 119, 125 and 268
- 41 [54-17-602](#), as enacted by Laws of Utah 2008, Chapter 374
- 42 [54-17-604](#), as enacted by Laws of Utah 2008, Chapter 374
- 43 [54-17-605](#), as enacted by Laws of Utah 2008, Chapter 374
- 44 [54-17-801](#), as last amended by Laws of Utah 2017, Chapter 409
- 45 [54-17-802](#), as enacted by Laws of Utah 2012, Chapter 182
- 46 [54-17-803](#), as enacted by Laws of Utah 2012, Chapter 182
- 47 [54-17-804](#), as enacted by Laws of Utah 2012, Chapter 182
- 48 [54-17-805](#), as enacted by Laws of Utah 2012, Chapter 182
- 49 [54-17-806](#), as last amended by Laws of Utah 2020, Chapter 126
- 50 [54-17-807](#), as last amended by Laws of Utah 2019, Chapter 136
- 51 [54-17-901](#), as enacted by Laws of Utah 2019, Chapter 471
- 52 [54-17-902](#), as enacted by Laws of Utah 2019, Chapter 471
- 53 [54-17-903](#), as enacted by Laws of Utah 2019, Chapter 471
- 54 [54-17-904](#), as enacted by Laws of Utah 2019, Chapter 471
- 55 [54-17-905](#), as enacted by Laws of Utah 2019, Chapter 471
- 56 [54-17-906](#), as enacted by Laws of Utah 2019, Chapter 471
- 57 [54-17-908](#), as enacted by Laws of Utah 2019, Chapter 471
- 58 [59-2-102](#), as last amended by Laws of Utah 2023, Chapter 16

- 59 **59-7-614**, as last amended by Laws of Utah 2023, Chapter 482
- 60 **59-10-1014**, as last amended by Laws of Utah 2021, Chapter 280
- 61 **63A-5b-702**, as last amended by Laws of Utah 2021, Chapter 382
- 62 **63H-1-201**, as last amended by Laws of Utah 2022, Chapter 274
- 63 **63L-11-304**, as renumbered and amended by Laws of Utah 2021, Chapter 382
- 64 **79-3-202**, as last amended by Laws of Utah 2022, Chapter 216

---



---

66 *Be it enacted by the Legislature of the state of Utah:*

67 Section 1. Section **10-9a-401** is amended to read:

68 **10-9a-401. General plan required -- Content.**

69 (1) To accomplish the purposes of this chapter, a municipality shall prepare and adopt  
 70 a comprehensive, long-range general plan for:

- 71 (a) present and future needs of the municipality; and
- 72 (b) growth and development of all or any part of the land within the municipality.

73 (2) The general plan may provide for:

74 (a) health, general welfare, safety, energy conservation, transportation, prosperity, civic  
 75 activities, aesthetics, and recreational, educational, and cultural opportunities;

76 (b) the reduction of the waste of physical, financial, or human resources that result  
 77 from either excessive congestion or excessive scattering of population;

78 (c) the efficient and economical use, conservation, and production of the supply of:

- 79 (i) food and water; and
- 80 (ii) drainage, sanitary, and other facilities and resources;

81 (d) the use of energy conservation and solar and [~~renewable~~] clean energy resources;

82 (e) the protection of urban development;

83 (f) if the municipality is a town, the protection or promotion of moderate income  
 84 housing;

85 (g) the protection and promotion of air quality;

86 (h) historic preservation;

87 (i) identifying future uses of land that are likely to require an expansion or significant  
 88 modification of services or facilities provided by an affected entity; and

89 (j) an official map.

90 (3) (a) The general plan of a specified municipality, as defined in Section 10-9a-408,  
91 shall include a moderate income housing element that meets the requirements of Subsection  
92 10-9a-403(2)(a)(iii).

93 (b) (i) This Subsection (3)(b) applies to a municipality that is not a specified  
94 municipality as of January 1, 2023.

95 (ii) As of January 1, if a municipality described in Subsection (3)(b)(i) changes from  
96 one class to another or grows in population to qualify as a specified municipality as defined in  
97 Section 10-9a-408, the municipality shall amend the municipality's general plan to comply with  
98 Subsection (3)(a) on or before August 1 of the first calendar year beginning on January 1 in  
99 which the municipality qualifies as a specified municipality.

100 (4) Subject to Subsection 10-9a-403(2), the municipality may determine the  
101 comprehensiveness, extent, and format of the general plan.

102 (5) Except for a city of the fifth class or a town, on or before December 31, 2025, a  
103 municipality that has a general plan that does not include a water use and preservation element  
104 that complies with Section 10-9a-403 shall amend the municipality's general plan to comply  
105 with Section 10-9a-403.

106 Section 2. Section 10-19-102 is amended to read:

107 **10-19-102. Definitions.**

108 As used in this chapter:

109 (1) "Adjusted retail electric sales" means the total kilowatt-hours of retail electric sales  
110 of a municipal electric utility to customers in this state in a calendar year, reduced by:

111 (a) the amount of those kilowatt-hours attributable to electricity generated or purchased  
112 in that calendar year from qualifying zero carbon emissions generation and qualifying carbon  
113 sequestration generation;

114 (b) the amount of those kilowatt-hours attributable to electricity generated or purchased  
115 in that calendar year from generation located within the geographic boundary of the Western  
116 Electricity Coordinating Council that derives its energy from one or more of the following but  
117 that does not satisfy the definition of a [renewable] clean energy source or that otherwise has  
118 not been used to satisfy Subsection 10-19-201(1):

119 (i) wind energy;

120 (ii) solar photovoltaic and solar thermal energy;

- 121 (iii) wave, tidal, and ocean thermal energy;
- 122 (iv) except for combustion of wood that has been treated with chemical preservatives
- 123 such as creosote, pentachlorophenol or chromated copper arsenate, biomass and biomass
- 124 byproducts, including:
  - 125 (A) organic waste;
  - 126 (B) forest or rangeland woody debris from harvesting or thinning conducted to improve
  - 127 forest or rangeland ecological health and to reduce wildfire risk;
  - 128 (C) agricultural residues;
  - 129 (D) dedicated energy crops; and
  - 130 (E) landfill gas or biogas produced from organic matter, wastewater, anaerobic
  - 131 digesters, or municipal solid waste;
  - 132 (v) geothermal energy;
  - 133 (vi) hydro-electric energy; or
  - 134 (vii) waste gas and waste heat capture or recovery; and
- 135 (c) the number of kilowatt-hours attributable to reductions in retail sales in that
- 136 calendar year from activities or programs promoting electric energy efficiency or conservation
- 137 or more efficient management of electric energy load.
- 138 (2) "Amount of kilowatt-hours attributable to electricity generated or purchased in that
- 139 calendar year from qualifying carbon sequestration generation," for qualifying carbon
- 140 sequestration generation, means the kilowatt-hours supplied by a facility during the calendar
- 141 year multiplied by the ratio of the amount of carbon dioxide captured from the facility and
- 142 sequestered to the sum of the amount of carbon dioxide captured from the facility and
- 143 sequestered plus the amount of carbon dioxide emitted from the facility during the same
- 144 calendar year.
- 145 (3) "Banked renewable energy certificate" means a bundled or unbundled renewable
- 146 energy certificate that is:
  - 147 (a) not used in a calendar year to comply with this part or with a renewable energy
  - 148 program in another state; and
  - 149 (b) carried forward into a subsequent year.
- 150 (4) "Bundled renewable energy certificate" means a renewable energy certificate for
- 151 qualifying electricity that is acquired:

152 (a) by a municipal electric utility by a trade, purchase, or other transfer of electricity  
153 that includes the renewable energy attributes of, or certificate that is issued for, the electricity;  
154 or

155 (b) by a municipal electric utility by generating the electricity for which the renewable  
156 energy certificate is issued.

157 (5) "Clean energy source" means:

158 (a) an electric generation facility or generation capability or upgrade that becomes  
159 operational on or after January 1, 1995, that derives energy from one or more of the following:

160 (i) wind energy;

161 (ii) solar photovoltaic and solar thermal energy;

162 (iii) wave, tidal, and ocean thermal energy;

163 (iv) except for combustion of wood that has been treated with chemical preservatives  
164 such as creosote, pentachlorophenol or chromated copper arsenate, biomass and biomass  
165 byproducts, including:

166 (A) organic waste;

167 (B) forest or rangeland woody debris from harvesting or thinning conducted to improve  
168 forest or rangeland ecological health and to reduce wildfire risk;

169 (C) agricultural residues;

170 (D) dedicated energy crops; and

171 (E) landfill gas or biogas produced from organic matter, wastewater, anaerobic  
172 digesters, or municipal solid waste;

173 (v) geothermal energy located outside the state;

174 (vi) waste gas and waste heat capture or recovery, including methane gas from:

175 (A) an abandoned coal mine; or

176 (B) a coal degassing operation associated with a state-approved mine permit;

177 (vii) efficiency upgrades to a hydroelectric facility, without regard to the date upon  
178 which the facility became operational, if the upgrades become operational on or after January  
179 1, 1995;

180 (viii) a compressed air energy storage process, if:

181 (A) the process used to compress the air is a renewable energy source and the  
182 associated renewable energy certificates are retired for the purpose of the compressed air

183 energy storage process; or  
184 (B) equivalent renewable energy certificates are obtained and retired for the purpose of  
185 the compressed air energy storage process;  
186 (ix) municipal solid waste;  
187 (x) nuclear fuel; or  
188 (xi) carbon capture utilization and sequestration;  
189 (b) any of the following:  
190 (i) up to 50 average megawatts of electricity per year per municipal electric utility from  
191 a certified low-impact hydroelectric facility, without regard to the date upon which the facility  
192 becomes operational, if the facility is certified as a low-impact hydroelectric facility on or after  
193 January 1, 1995, by a national certification organization;  
194 (ii) geothermal energy if located within the state, without regard to the date upon which  
195 the facility becomes operational; and  
196 (iii) hydroelectric energy if located within the state, without regard to the date upon  
197 which the facility becomes operational;  
198 (c) hydrogen gas derived from any source of energy described in Subsection (5)(a) or  
199 (b);  
200 (d) if an electric generation facility employs multiple energy sources, that portion of the  
201 electricity generated that is attributable to energy sources described in Subsections (5)(a)  
202 through (c); and  
203 (e) any of the following located in the state and owned by a user of energy:  
204 (i) a demand side management measure, as defined by Subsection [54-7-12.8\(1\)](#) with  
205 the quantity of renewable energy certificates to which the user is entitled determined by the  
206 equivalent energy saved by the measure;  
207 (ii) a solar thermal system that reduces the consumption of fossil fuels, with the  
208 quantity of renewable energy certificates to which the user is entitled determined by the  
209 equivalent kilowatt-hours saved, except to the extent the commission determines otherwise  
210 with respect to net-metered energy;  
211 (iii) a solar photovoltaic system that reduces the consumption of fossil fuels with the  
212 quantity of renewable energy certificates to which the user is entitled determined by the total  
213 production of the system, except to the extent the commission determines otherwise with

214 respect to net-metered energy;

215 (iv) a hydroelectric or geothermal facility, with the quantity of renewable energy  
216 certificates to which the user is entitled determined by the total production of the facility,  
217 except to the extent the commission determines otherwise with respect to net-metered energy;

218 (v) a waste gas or waste heat capture or recovery system other than from a combined  
219 cycle combustion turbine that does not use waste gas or waste heat, with the quantity of  
220 renewable energy certificates to which the user is entitled determined by the total production of  
221 the system, except to the extent the commission determines otherwise with respect to  
222 net-metered energy; and

223 (vi) the station use of solar thermal energy, solar photovoltaic energy, hydroelectric  
224 energy, geothermal energy, waste gas, or waste heat capture and recovery.

225 ~~[(5)]~~ (6) "Commission" means the Public Service Commission.

226 ~~[(6)]~~ (7) "Municipal electric utility" means any municipality that owns, operates,  
227 controls, or manages a facility that provides electric power for a retail customer, whether  
228 domestic, commercial, industrial, or otherwise.

229 ~~[(7)]~~ (8) "Qualifying carbon sequestration generation" means a fossil-fueled generating  
230 facility located within the geographic boundary of the Western Electricity Coordinating  
231 Council that:

232 (a) becomes operational or is retrofitted on or after January 1, 2008; and

233 (b) reduces carbon dioxide emissions into the atmosphere through permanent  
234 geological sequestration or through other verifiably permanent reductions in carbon dioxide  
235 emissions through the use of technology.

236 ~~[(8)]~~ (9) "Qualifying electricity" means electricity generated on or after January 1, 1995  
237 from a renewable energy source if:

238 (a) (i) the ~~[renewable]~~ clean energy source is located within the geographic boundary of  
239 the Western Electricity Coordinating Council; or

240 (ii) the qualifying electricity is delivered to the transmission system of a municipal  
241 electric utility or a delivery point designated by the municipal electric utility for the purpose of  
242 subsequent delivery to the municipal electric utility; and

243 (b) the ~~[renewable]~~ clean energy attributes of the electricity are not traded, sold,  
244 transferred, or otherwise used to satisfy another state's renewable energy program.

245           ~~[(9)]~~ (10) "Qualifying zero carbon emissions generation":

246           (a) means a generation facility located within the geographic boundary of the Western  
247 Electricity Coordinating Council that:

248           (i) becomes operational on or after January 1, 2008; and

249           (ii) does not produce carbon as a byproduct of the generation process;

250           (b) includes generation powered by nuclear fuel; and

251           (c) does not include ~~[renewable]~~ clean energy sources used to satisfy a target  
252 established under Section 10-19-201.

253           ~~[(10)]~~ (11) "Renewable energy certificate" means a certificate issued in accordance  
254 with the requirements of Sections 10-19-202 and 54-17-603.

255           ~~[(11) "Renewable energy source" means:]~~

256           ~~[(a) an electric generation facility or generation capability or upgrade that becomes~~  
257 ~~operational on or after January 1, 1995 that derives its energy from one or more of the~~  
258 ~~following:]~~

259           ~~[(i) wind energy;]~~

260           ~~[(ii) solar photovoltaic and solar thermal energy;]~~

261           ~~[(iii) wave, tidal, and ocean thermal energy;]~~

262           ~~[(iv) except for combustion of wood that has been treated with chemical preservatives~~  
263 ~~such as creosote, pentachlorophenol or chromated copper arsenate, biomass and biomass~~  
264 ~~byproducts, including:]~~

265           ~~[(A) organic waste;]~~

266           ~~[(B) forest or rangeland woody debris from harvesting or thinning conducted to~~  
267 ~~improve forest or rangeland ecological health and to reduce wildfire risk;]~~

268           ~~[(C) agricultural residues;]~~

269           ~~[(D) dedicated energy crops; and]~~

270           ~~[(E) landfill gas or biogas produced from organic matter, wastewater, anaerobic~~  
271 ~~digesters, or municipal solid waste;]~~

272           ~~[(v) geothermal energy located outside the state;]~~

273           ~~[(vi) waste gas and waste heat capture or recovery whether or not it is renewable,~~  
274 ~~including methane gas from:]~~

275           ~~[(A) an abandoned coal mine; or]~~

276 ~~[(B) a coal degassing operation associated with a state-approved mine permit;]~~  
277 ~~[(vii) efficiency upgrades to a hydroelectric facility, without regard to the date upon~~  
278 ~~which the facility became operational, if the upgrades become operational on or after January~~  
279 ~~1, 1995;]~~  
280 ~~[(viii) a compressed air energy storage process, if:]~~  
281 ~~[(A) the process used to compress the air is a renewable energy source and the~~  
282 ~~associated renewable energy certificates are retired for the purpose of the compressed air~~  
283 ~~energy storage process; or]~~  
284 ~~[(B) equivalent renewable energy certificates are obtained and retired for the purpose~~  
285 ~~of the compressed air energy storage process; or]~~  
286 ~~[(ix) municipal solid waste;]~~  
287 ~~[(b) any of the following:]~~  
288 ~~[(i) up to 50 average megawatts of electricity per year per municipal electric utility~~  
289 ~~from a certified low-impact hydroelectric facility, without regard to the date upon which the~~  
290 ~~facility becomes operational, if the facility is certified as a low-impact hydroelectric facility on~~  
291 ~~or after January 1, 1995, by a national certification organization;]~~  
292 ~~[(ii) geothermal energy if located within the state, without regard to the date upon~~  
293 ~~which the facility becomes operational; and]~~  
294 ~~[(iii) hydroelectric energy if located within the state, without regard to the date upon~~  
295 ~~which the facility becomes operational;]~~  
296 ~~[(c) hydrogen gas derived from any source of energy described in Subsection (11)(a) or~~  
297 ~~(b);]~~  
298 ~~[(d) if an electric generation facility employs multiple energy sources, that portion of~~  
299 ~~the electricity generated that is attributable to energy sources described in Subsections (11)(a)~~  
300 ~~through (c); and]~~  
301 ~~[(e) any of the following located in the state and owned by a user of energy:]~~  
302 ~~[(i) a demand side management measure, as defined by Subsection 54-7-12.8(1) with~~  
303 ~~the quantity of renewable energy certificates to which the user is entitled determined by the~~  
304 ~~equivalent energy saved by the measure;]~~  
305 ~~[(ii) a solar thermal system that reduces the consumption of fossil fuels, with the~~  
306 ~~quantity of renewable energy certificates to which the user is entitled determined by the~~

307 equivalent kilowatt-hours saved, except to the extent the commission determines otherwise  
308 with respect to net-metered energy;]

309 [(iii) a solar photovoltaic system that reduces the consumption of fossil fuels with the  
310 quantity of renewable energy certificates to which the user is entitled determined by the total  
311 production of the system, except to the extent the commission determines otherwise with  
312 respect to net-metered energy;]

313 [(iv) a hydroelectric or geothermal facility, with the quantity of renewable energy  
314 certificates to which the user is entitled determined by the total production of the facility,  
315 except to the extent the commission determines otherwise with respect to net-metered energy;]

316 [(v) a waste gas or waste heat capture or recovery system other than from a combined  
317 cycle combustion turbine that does not use waste gas or waste heat, with the quantity of  
318 renewable energy certificates to which the user is entitled determined by the total production of  
319 the system, except to the extent the commission determines otherwise with respect to  
320 net-metered energy; and]

321 [(vi) the station use of solar thermal energy, solar photovoltaic energy, hydroelectric  
322 energy, geothermal energy, waste gas, or waste heat capture and recovery.]

323 (12) "Unbundled renewable energy certificate" means a renewable energy certificate  
324 associated with:

325 (a) qualifying electricity that is acquired by a municipal electric utility or other person  
326 by trade, purchase, or other transfer without acquiring the electricity for which the certificate  
327 was issued; or

328 (b) activities listed in Subsection ~~[(11)(e)]~~ (5)(e).

329 Section 3. Section **10-19-201** is amended to read:

330 **10-19-201. Target amount of qualifying electricity -- Renewable energy certificate**  
331 **-- Cost-effectiveness.**

332 (1) (a) To the extent that it is cost-effective to do so, beginning in 2025 the annual  
333 retail electric sales in this state of each municipal electric utility shall consist of qualifying  
334 electricity or renewable energy certificates in an amount equal to at least 20% of adjusted retail  
335 electric sales.

336 (b) The amount under Subsection (1)(a) is computed based upon adjusted retail sales  
337 for the calendar year commencing 36 months before the first day of the year for which the

338 target calculated under Subsection (1)(a) applies.

339 (c) Notwithstanding Subsections (1)(a) and (b) an increase in the annual target from  
340 one year to the next is limited to the greater of:

341 (i) 17,500 megawatt-hours; or

342 (ii) 20% of the prior year's amount under Subsections (1)(a) and (b).

343 (2) Cost-effectiveness under Subsection (1) is determined using any criteria applicable  
344 to the municipal electric utility's acquisition of a significant energy resource established by the  
345 municipality's legislative body.

346 (3) This section does not require a municipal electric utility to:

347 (a) substitute qualifying electricity for electricity from a generation source owned or  
348 contractually committed, or from a contractual commitment for a power purchase;

349 (b) enter into any additional electric sales commitment or any other arrangement for the  
350 sale or other disposition of electricity that is not already, or would not be, entered into by the  
351 municipal electric utility; or

352 (c) acquire qualifying electricity in excess of its adjusted retail electric sales.

353 (4) A municipal electrical corporation may combine the following to meet Subsection  
354 (1):

355 (a) qualifying electricity from a [~~renewable~~] clean energy source owned by the  
356 municipal electric utility;

357 (b) qualifying electricity acquired by the municipal electric utility through trade, power  
358 purchase, or other transfer; and

359 (c) a bundled or unbundled renewable energy certificate, including a banked renewable  
360 energy certificate.

361 (5) To meet Subsection (1), a municipal electric utility may also count:

362 (a) qualifying electricity generated or acquired or renewable energy certificates  
363 acquired for a program permitting the municipal electric utility's customers to voluntarily  
364 contribute to a renewable energy source; and

365 (b) electricity allocated to this state that is produced by a hydroelectric facility  
366 becoming operational after December 31, 2007, if the hydroelectric facility is located in any  
367 state in which the municipal electric utility, or the interlocal entity with which the municipal  
368 electric utility has a contract, provides electric service.

369 Section 4. Section **10-19-202** is amended to read:

370 **10-19-202. Renewable energy certificate -- Use to satisfy other requirements.**

371 (1) A municipal electric utility may buy, sell, trade, or otherwise transfer a renewable  
372 energy certificate issued or recognized under Section [54-17-603](#).

373 (2) For the purpose of satisfying Subsection [10-19-201\(1\)](#) and the issuance of a  
374 renewable energy certificate under Section [54-17-603](#):

375 (a) a [~~renewable~~] clean energy source located in this state that derives its energy from  
376 solar photovoltaic and solar thermal energy shall be credited for 2.4 kilowatt-hours of  
377 qualifying electricity for each 1.0 kilowatt-hour generated; and

378 (b) if two or more municipal electric utilities jointly own a renewable energy resource,  
379 each municipal electric utility shall be credited with 1.0 kilowatt-hour of qualifying electricity  
380 for 1.0 kilowatt-hour of the renewable energy resource allocated to the municipal electric utility  
381 by contract, unless the contract otherwise provides.

382 (3) A renewable energy certificate:

383 (a) may be used only once to satisfy Subsection [10-19-201\(1\)](#);

384 (b) may be used to satisfy Subsection [10-19-201\(1\)](#) and the qualifying electricity on  
385 which the renewable energy certificate is based may be used to satisfy any federal renewable  
386 energy requirement; and

387 (c) may not be used if it has been used to satisfy any other state's renewable energy  
388 requirement.

389 Section 5. Section **10-19-301** is amended to read:

390 **10-19-301. Plans and reports.**

391 (1) A municipal electric utility shall develop and maintain a plan for implementing  
392 Subsection [10-19-201\(1\)](#).

393 (2) A progress report concerning a plan under Subsection (1) shall be filed with the  
394 municipality's legislative body by January 1 of each of the years 2010, 2015, 2020, and 2024.

395 (3) The progress report under Subsection (2) shall contain:

396 (a) the actual and projected amount of qualifying electricity through 2025;

397 (b) the source of qualifying electricity;

398 (c) an estimate of the cost of achieving the target;

399 (d) a discussion of conditions impacting the [~~renewable~~] clean energy source and

400 qualifying electricity markets; and

401 (e) any recommendation for a suggested legislative or program change.

402 (4) The plan and progress report required by Subsections (1) and (2) may include  
403 procedures that will be used by the municipal electric utility to identify and select any  
404 cost-effective [~~renewable~~] clean energy resource and qualifying electricity.

405 (5) By July 1, 2026, the municipal electric utility shall file a final progress report  
406 demonstrating:

407 (a) how Subsection 10-19-201(1) is satisfied for the year 2025; or

408 (b) the reason why Subsection 10-19-201(1) is not satisfied for the year 2025, if it is  
409 not satisfied.

410 (6) The plan and any progress report filed under this section shall be publicly available  
411 at the municipal legislative body's office.

412 Section 6. Section 11-13-218 is amended to read:

413 **11-13-218. Authority of public agencies or interlocal entities to issue bonds --**  
414 **Applicable provisions.**

415 (1) A public agency may, in the same manner as it may issue bonds for its individual  
416 acquisition of a facility or improvement or for constructing, improving, or extending a facility  
417 or improvement, issue bonds to:

418 (a) acquire an interest in a jointly owned facility or improvement, a combination of a  
419 jointly owned facility or improvement, or any other facility or improvement; or

420 (b) pay all or part of the cost of constructing, improving, or extending a jointly owned  
421 facility or improvement, a combination of a jointly owned facility or improvement, or any other  
422 facility or improvement.

423 (2) (a) An interlocal entity may issue bonds or notes under a resolution, trust indenture,  
424 or other security instrument for the purpose of:

425 (i) financing its facilities or improvements; or

426 (ii) providing for or financing an energy efficiency upgrade, a [~~renewable~~] clean energy  
427 system, or electric vehicle charging infrastructure in accordance with Title 11, Chapter 42,  
428 Assessment Area Act.

429 (b) The bonds or notes may be sold at public or private sale, mature at such times and  
430 bear interest at such rates, and have such other terms and security as the entity determines.

431 (c) The bonds or notes described in this Subsection (2) are not a debt of any public  
432 agency that is a party to the agreement.

433 (3) The governing board may, by resolution, delegate to one or more officers of the  
434 interlocal entity or to a committee of designated members of the governing board the authority  
435 to:

436 (a) in accordance with and within the parameters set forth in the resolution, approve the  
437 final interest rate, price, principal amount, maturity, redemption features, or other terms of a  
438 bond or note; and

439 (b) approve and execute all documents relating to the issuance of the bond or note.

440 (4) Bonds and notes issued under this chapter are declared to be negotiable instruments  
441 and their form and substance need not comply with the Uniform Commercial Code.

442 (5) (a) An interlocal entity shall issue bonds in accordance with, as applicable:

443 (i) Chapter 14, Local Government Bonding Act;

444 (ii) Chapter 27, Utah Refunding Bond Act;

445 (iii) this chapter; or

446 (iv) any other provision of state law that authorizes issuance of bonds by a public body.

447 (b) An interlocal entity is a public body as defined in Section [11-30-2](#).

448 Section 7. Section **11-17-2** is amended to read:

449 **11-17-2. Definitions.**

450 As used in this chapter:

451 (1) "Bonds" means bonds, notes, or other evidences of indebtedness.

452 (2) "Clean energy system" means a product, system, device, or interacting group of  
453 devices that is permanently affixed to real property and that produces energy from clean  
454 resources, including:

455 (a) a photovoltaic system;

456 (b) a solar thermal system;

457 (c) a wind system;

458 (d) a geothermal system, including:

459 (i) a direct-use system; or

460 (ii) a ground source heat pump system;

461 (e) a micro-hydro system;

- 462            (f) nuclear fuel;
- 463            (g) carbon capture utilization and sequestration; or
- 464            (h) another clean energy system approved by the governing body.
- 465            [~~2~~] (3) "Energy efficiency upgrade" means an improvement that is permanently
- 466            affixed to real property and that is designed to reduce energy consumption, including:
- 467            (a) insulation in:
- 468                (i) a wall, ceiling, roof, floor, or foundation; or
- 469                (ii) a heating or cooling distribution system;
- 470            (b) an insulated window or door, including:
- 471                (i) a storm window or door;
- 472                (ii) a multiglazed window or door;
- 473                (iii) a heat-absorbing window or door;
- 474                (iv) a heat-reflective glazed and coated window or door;
- 475                (v) additional window or door glazing;
- 476                (vi) a window or door with reduced glass area; or
- 477                (vii) other window or door modifications that reduce energy loss;
- 478            (c) an automatic energy control system;
- 479            (d) in a building or a central plant, a heating, ventilation, or air conditioning and
- 480            distribution system;
- 481            (e) caulking or weatherstripping;
- 482            (f) a light fixture that does not increase the overall illumination of a building unless an
- 483            increase is necessary to conform with the applicable building code;
- 484            (g) an energy recovery system;
- 485            (h) a daylighting system;
- 486            (i) measures to reduce the consumption of water, through conservation or more
- 487            efficient use of water, including:
- 488                (i) installation of a low-flow toilet or showerhead;
- 489                (ii) installation of a timer or timing system for a hot water heater; or
- 490                (iii) installation of a rain catchment system; or
- 491            (j) any other modified, installed, or remodeled fixture that is approved as a utility
- 492            cost-savings measure by the governing body.

493           ~~[(3)]~~ (4) "Finance" or "financing" includes the issuing of bonds by a municipality,  
494 county, or state university for the purpose of using a portion, or all or substantially all of the  
495 proceeds to pay for or to reimburse the user, lender, or the user or lender's designee for the  
496 costs of the acquisition of facilities of a project, or to create funds for the project itself where  
497 appropriate, whether these costs are incurred by the municipality, the county, the state  
498 university, the user, or a designee of the user. If title to or in these facilities at all times remains  
499 in the user, the bonds of the municipality or county shall be secured by a pledge of one or more  
500 notes, debentures, bonds, other secured or unsecured debt obligations of the user or lender, or  
501 the sinking fund or other arrangement as in the judgment of the governing body is appropriate  
502 for the purpose of assuring repayment of the bond obligations to investors in accordance with  
503 their terms.

504           ~~[(4)]~~ (5) "Governing body" means:

505           (a) for a county, city, town, or metro township, the legislative body of the county, city,  
506 town, or metro township;

507           (b) for the military installation development authority created in Section [63H-1-201](#),  
508 the board, as defined in Section [63H-1-102](#);

509           (c) for a state university except as provided in Subsection ~~[(4)(d)]~~ (5)(d), the board or  
510 body having the control and supervision of the state university; and

511           (d) for a nonprofit corporation or foundation created by and operating under the  
512 auspices of a state university, the board of directors or board of trustees of that corporation or  
513 foundation.

514           ~~[(5)]~~ (6) (a) "Industrial park" means land, including all necessary rights, appurtenances,  
515 easements, and franchises relating to it, acquired and developed by a municipality, county, or  
516 state university for the establishment and location of a series of sites for plants and other  
517 buildings for industrial, distribution, and wholesale use.

518           (b) "Industrial park" includes the development of the land for an industrial park under  
519 this chapter or the acquisition and provision of water, sewerage, drainage, street, road,  
520 sidewalk, curb, gutter, street lighting, electrical distribution, railroad, or docking facilities, or  
521 any combination of them, but only to the extent that these facilities are incidental to the use of  
522 the land as an industrial park.

523           ~~[(6)]~~ (7) "Lender" means a trust company, savings bank, savings and loan association,

524 bank, credit union, or any other lending institution that lends, loans, or leases proceeds of a  
525 financing to the user or a user's designee.

526 [~~(7)~~] (8) "Mortgage" means a mortgage, trust deed, or other security device.

527 [~~(8)~~] (9) "Municipality" means any incorporated city, town, or metro township in the  
528 state, including cities or towns operating under home rule charters.

529 [~~(9)~~] (10) "Pollution" means any form of environmental pollution including water  
530 pollution, air pollution, pollution caused by solid waste disposal, thermal pollution, radiation  
531 contamination, or noise pollution.

532 [~~(10)~~] (11) (a) "Project" means:

533 (i) an industrial park, land, interest in land, building, structure, facility, system, fixture,  
534 improvement, appurtenance, machinery, equipment, or any combination of them, whether or  
535 not in existence or under construction:

536 (A) that is suitable for industrial, manufacturing, warehousing, research, business, and  
537 professional office building facilities, commercial, shopping services, food, lodging, low  
538 income rental housing, recreational, or any other business purposes;

539 (B) that is suitable to provide services to the general public;

540 (C) that is suitable for use by any corporation, person, or entity engaged in health care  
541 services, including hospitals, nursing homes, extended care facilities, facilities for the care of  
542 persons with a physical or mental disability, and administrative and support facilities; or

543 (D) that is suitable for use by a state university for the purpose of aiding in the  
544 accomplishment of its authorized academic, scientific, engineering, technical, and economic  
545 development functions;

546 (ii) any land, interest in land, building, structure, facility, system, fixture, improvement,  
547 appurtenance, machinery, equipment, or any combination of them, used by any individual,  
548 partnership, firm, company, corporation, public utility, association, trust, estate, political  
549 subdivision, state agency, or any other legal entity, or its legal representative, agent, or assigns,  
550 for the reduction, abatement, or prevention of pollution, including the removal or treatment of  
551 any substance in process material, if that material would cause pollution if used without the  
552 removal or treatment;

553 (iii) an energy efficiency upgrade;

554 (iv) a [~~renewable~~] clean energy system;

555 (v) facilities, machinery, or equipment, the manufacturing and financing of which will  
 556 maintain or enlarge domestic or foreign markets for Utah industrial products; or

557 (vi) any economic development or new venture investment fund to be raised other than  
 558 from:

559 (A) municipal or county general fund money;

560 (B) money raised under the taxing power of any county or municipality; or

561 (C) money raised against the general credit of any county or municipality.

562 (b) "Project" does not include any property, real, personal, or mixed, for the purpose of  
 563 the construction, reconstruction, improvement, or maintenance of a public utility as defined in  
 564 Section 54-2-1.

565 [~~(11) "Renewable energy system" means a product, system, device, or interacting group  
 566 of devices that is permanently affixed to real property and that produces energy from renewable  
 567 resources, including:]~~

568 [~~(a) a photovoltaic system;]~~

569 [~~(b) a solar thermal system;]~~

570 [~~(c) a wind system;]~~

571 [~~(d) a geothermal system, including:]~~

572 [~~(i) a direct-use system; or]~~

573 [~~(ii) a ground source heat pump system;]~~

574 [~~(e) a micro-hydro system; or]~~

575 [~~(f) another renewable energy system approved by the governing body.]~~

576 (12) "State university" means an institution of higher education as described in Section  
 577 53B-2-101 and includes any nonprofit corporation or foundation created by and operating  
 578 under their authority.

579 (13) "User" means the person, whether natural or corporate, who will occupy, operate,  
 580 maintain, and employ the facilities of, or manage and administer a project after the financing,  
 581 acquisition, or construction of it, whether as owner, manager, purchaser, lessee, or otherwise.

582 Section 8. Section 11-42a-102 is amended to read:

583 **11-42a-102. Definitions.**

584 (1) "Air quality standards" means that a vehicle's emissions are equal to or cleaner than  
 585 the standards established in bin 4 Table S04-1, of 40 C.F.R. 86.1811-04(c)(6).

586 (2) (a) "Assessment" means the assessment that a local entity or the C-PACE district  
587 levies on private property under this chapter to cover the costs of an energy efficiency upgrade,  
588 a ~~renewable~~ clean energy system, or an electric vehicle charging infrastructure.

589 (b) "Assessment" does not constitute a property tax but shares the same priority lien as  
590 a property tax.

591 (3) "Assessment fund" means a special fund that a local entity establishes under  
592 Section [11-42a-206](#).

593 (4) "Benefitted property" means private property within an energy assessment area that  
594 directly benefits from improvements.

595 (5) "Bond" means an assessment bond and a refunding assessment bond.

596 (6) (a) "Clean energy system" means a product, system, device, or interacting group of  
597 devices that is permanently affixed to commercial or industrial real property not located in the  
598 certified service area of a distribution electrical cooperative, as that term is defined in Section  
599 [54-2-1](#), and:

600 (i) produces energy from renewable resources, including:

601 (A) a photovoltaic system;

602 (B) a solar thermal system;

603 (C) a wind system;

604 (D) a geothermal system, including a generation system, a direct-use system, or a  
605 ground source heat pump system;

606 (E) a micro-hydro system;

607 (F) a biofuel system;

608 (G) energy derived from nuclear fuel; or

609 (H) any other clean source system that the governing body of the local entity approves;

610 (ii) stores energy, including:

611 (A) a battery storage system; or

612 (B) any other energy storing system that the governing body or chief executive officer  
613 of a local entity approves; or

614 (iii) any improvement that relates physically or functionally to any of the products,  
615 systems, or devices listed in Subsection (6)(a)(i) or (ii).

616 (b) "Clean energy system" does not include a system described in Subsection (6)(a)(i)

617 if the system provides energy to property outside the energy assessment area, unless the system:

618 (i) (A) existed before the creation of the energy assessment area; and

619 (B) beginning before January 1, 2017, provides energy to property outside of the area  
 620 that became the energy assessment area; or

621 (ii) provides energy to property outside the energy assessment area under an agreement  
 622 with a public electrical utility that is substantially similar to agreements for other renewable  
 623 energy systems that are not funded under this chapter.

624 ~~[(6)]~~ (7) (a) "Commercial or industrial real property" means private real property used  
 625 directly or indirectly or held for one of the following purposes or activities, regardless of  
 626 whether the purpose or activity is for profit:

627 (i) commercial;

628 (ii) mining;

629 (iii) agricultural;

630 (iv) industrial;

631 (v) manufacturing;

632 (vi) trade;

633 (vii) professional;

634 (viii) a private or public club;

635 (ix) a lodge;

636 (x) a business; or

637 (xi) a similar purpose.

638 (b) "Commercial or industrial real property" includes:

639 (i) private real property that is used as or held for dwelling purposes and contains:

640 (A) more than four rental units; or

641 (B) one or more owner-occupied or rental condominium units affiliated with a hotel;

642 and

643 (ii) real property owned by:

644 (A) the military installation development authority, created in Section [63H-1-201](#); or

645 (B) the Utah Inland Port Authority, created in Section [11-58-201](#).

646 ~~[(7)]~~ (8) "Contract price" means:

647 (a) up to 100% of the cost of installing, acquiring, refinancing, or reimbursing for an

648 improvement, as determined by the owner of the property benefitting from the improvement; or

649 (b) the amount payable to one or more contractors for the assessment, design,  
650 engineering, inspection, and construction of an improvement.

651 ~~[(8)]~~ (9) "C-PACE" means commercial property assessed clean energy.

652 ~~[(9)]~~ (10) "C-PACE district" means the statewide authority established in Section  
653 11-42a-106 to implement the C-PACE Act in collaboration with governing bodies, under the  
654 direction of OED.

655 ~~[(10)]~~ (11) "Electric vehicle charging infrastructure" means equipment that is:

656 (a) permanently affixed to commercial or industrial real property; and

657 (b) designed to deliver electric energy to a qualifying electric vehicle or a qualifying  
658 plug-in hybrid vehicle.

659 ~~[(11)]~~ (12) "Energy assessment area" means an area:

660 (a) within the jurisdictional boundaries of a local entity that approves an energy  
661 assessment area or, if the C-PACE district or a state interlocal entity levies the assessment, the  
662 C-PACE district or the state interlocal entity;

663 (b) containing only the commercial or industrial real property of owners who have  
664 voluntarily consented to an assessment under this chapter for the purpose of financing the costs  
665 of improvements that benefit property within the energy assessment area; and

666 (c) in which the proposed benefitted properties in the area are:

667 (i) contiguous; or

668 (ii) located on one or more contiguous or adjacent tracts of land that would be  
669 contiguous or adjacent property but for an intervening right-of-way, including a sidewalk,  
670 street, road, fixed guideway, or waterway.

671 ~~[(12)]~~ (13) "Energy assessment bond" means a bond:

672 (a) issued under Section 11-42a-401; and

673 (b) payable in part or in whole from assessments levied in an energy assessment area.

674 ~~[(13)]~~ (14) "Energy assessment lien" means a lien on property within an energy  
675 assessment area that arises from the levy of an assessment in accordance with Section  
676 11-42a-301.

677 ~~[(14)]~~ (15) "Energy assessment ordinance" means an ordinance that a local entity  
678 adopts under Section 11-42a-201 that:

- 679 (a) designates an energy assessment area;
- 680 (b) levies an assessment on benefitted property within the energy assessment area; and
- 681 (c) if applicable, authorizes the issuance of energy assessment bonds.

682 ~~[(15)]~~ (16) "Energy assessment resolution" means one or more resolutions adopted by a  
683 local entity under Section 11-42a-201 that:

- 684 (a) designates an energy assessment area;
- 685 (b) levies an assessment on benefitted property within the energy assessment area; and
- 686 (c) if applicable, authorizes the issuance of energy assessment bonds.

687 ~~[(16)]~~ (17) "Energy efficiency upgrade" means an improvement that is:

- 688 (a) permanently affixed to commercial or industrial real property; and
- 689 (b) designed to reduce energy or water consumption, including:
  - 690 (i) insulation in:
    - 691 (A) a wall, roof, floor, or foundation; or
    - 692 (B) a heating and cooling distribution system;
  - 693 (ii) a window or door, including:
    - 694 (A) a storm window or door;
    - 695 (B) a multiglazed window or door;
    - 696 (C) a heat-absorbing window or door;
    - 697 (D) a heat-reflective glazed and coated window or door;
    - 698 (E) additional window or door glazing;
    - 699 (F) a window or door with reduced glass area; or
    - 700 (G) other window or door modifications;
  - 701 (iii) an automatic energy control system;
  - 702 (iv) in a building or a central plant, a heating, ventilation, or air conditioning and  
703 distribution system;
  - 704 (v) caulk or weatherstripping;
  - 705 (vi) a light fixture that does not increase the overall illumination of a building, unless  
706 an increase is necessary to conform with the applicable building code;
  - 707 (vii) an energy recovery system;
  - 708 (viii) a daylighting system;
  - 709 (ix) measures to reduce the consumption of water, through conservation or more

710 efficient use of water, including installation of:  
711 (A) low-flow toilets and showerheads;  
712 (B) timer or timing systems for a hot water heater; or  
713 (C) rain catchment systems;  
714 (x) a modified, installed, or remodeled fixture that is approved as a utility cost-saving  
715 measure by the governing body or executive of a local entity;  
716 (xi) measures or other improvements to effect seismic upgrades;  
717 (xii) structures, measures, or other improvements to provide automated parking or  
718 parking that reduces land use;  
719 (xiii) the extension of an existing natural gas distribution company line;  
720 (xiv) an energy efficient elevator, escalator, or other vertical transport device;  
721 (xv) any other improvement that the governing body or executive of a local entity  
722 approves as an energy efficiency upgrade; or  
723 (xvi) any improvement that relates physically or functionally to any of the  
724 improvements listed in Subsections ~~[(16)(b)(i)]~~ (17)(b)(i) through (xv).  
725 ~~[(17)]~~ (18) "Governing body" means:  
726 (a) for a county, city, town, or metro township, the legislative body of the county, city,  
727 town, or metro township;  
728 (b) for a special district, the board of trustees of the special district;  
729 (c) for a special service district:  
730 (i) if no administrative control board has been appointed under Section [17D-1-301](#), the  
731 legislative body of the county, city, town, or metro township that established the special service  
732 district; or  
733 (ii) if an administrative control board has been appointed under Section [17D-1-301](#), the  
734 administrative control board of the special service district;  
735 (d) for the military installation development authority created in Section [63H-1-201](#),  
736 the board, as that term is defined in Section [63H-1-102](#); and  
737 (e) for the Utah Inland Port Authority, created in Section [11-58-201](#), the board, as  
738 defined in Section [11-58-102](#).  
739 ~~[(18)]~~ (19) "Improvement" means a publicly or privately owned energy efficiency  
740 upgrade, ~~[renewable]~~ clean energy system, or electric vehicle charging infrastructure that:

- 741 (a) a property owner has requested; or  
742 (b) has been or is being installed on a property for the benefit of the property owner.  
743 ~~[(19)]~~ (20) "Incidental refunding costs" means any costs of issuing a refunding  
744 assessment bond and calling, retiring, or paying prior bonds, including:  
745 (a) legal and accounting fees;  
746 (b) charges of financial advisors, escrow agents, certified public accountant verification  
747 entities, and trustees;  
748 (c) underwriting discount costs, printing costs, and the costs of giving notice;  
749 (d) any premium necessary in the calling or retiring of prior bonds;  
750 (e) fees to be paid to the local entity to issue the refunding assessment bond and to  
751 refund the outstanding prior bonds;  
752 (f) any other costs that the governing body determines are necessary and proper to incur  
753 in connection with the issuance of a refunding assessment bond; and  
754 (g) any interest on the prior bonds that is required to be paid in connection with the  
755 issuance of the refunding assessment bond.  
756 ~~[(20)]~~ (21) "Installment payment date" means the date on which an installment  
757 payment of an assessment is payable.  
758 ~~[(21)]~~ (22) "Jurisdictional boundaries" means:  
759 (a) for the C-PACE district or any state interlocal entity, the boundaries of the state;  
760 and  
761 (b) for each local entity, the boundaries of the local entity.  
762 ~~[(22)]~~ (23) (a) "Local entity" means:  
763 (i) a county, city, town, or metro township;  
764 (ii) a special service district, a special district, or an interlocal entity as that term is  
765 defined in Section 11-13-103;  
766 (iii) a state interlocal entity;  
767 (iv) the military installation development authority, created in Section 63H-1-201;  
768 (v) the Utah Inland Port Authority, created in Section 11-58-201; or  
769 (vi) any political subdivision of the state.  
770 (b) "Local entity" includes the C-PACE district solely in connection with:  
771 (i) the designation of an energy assessment area;

772 (ii) the levying of an assessment; and  
773 (iii) the assignment of an energy assessment lien to a third-party lender under Section  
774 11-42a-302.

775 [~~(23)~~] (24) "Local entity obligations" means energy assessment bonds and refunding  
776 assessment bonds that a local entity issues.

777 [~~(24)~~] (25) "OED" means the Office of Energy Development created in Section  
778 79-6-401.

779 [~~(25)~~] (26) "OEM vehicle" means the same as that term is defined in Section 19-1-402.

780 [~~(26)~~] (27) "Overhead costs" means the actual costs incurred or the estimated costs to  
781 be incurred in connection with an energy assessment area, including:

- 782 (a) appraisals, legal fees, filing fees, facilitation fees, and financial advisory charges;
- 783 (b) underwriting fees, placement fees, escrow fees, trustee fees, and paying agent fees;
- 784 (c) publishing and mailing costs;
- 785 (d) costs of levying an assessment;
- 786 (e) recording costs; and
- 787 (f) all other incidental costs.

788 [~~(27)~~] (28) "Parameters resolution" means a resolution or ordinance that a local entity  
789 adopts in accordance with Section 11-42a-201.

790 [~~(28)~~] (29) "Prior bonds" means the energy assessment bonds refunded in part or in  
791 whole by a refunding assessment bond.

792 [~~(29)~~] (30) "Prior energy assessment ordinance" means the ordinance levying the  
793 assessments from which the prior bonds are payable.

794 [~~(30)~~] (31) "Prior energy assessment resolution" means the resolution levying the  
795 assessments from which the prior bonds are payable.

796 [~~(31)~~] (32) "Property" includes real property and any interest in real property, including  
797 water rights and leasehold rights.

798 [~~(32)~~] (33) "Public electrical utility" means a large-scale electric utility as that term is  
799 defined in Section 54-2-1.

800 [~~(33)~~] (34) "Qualifying electric vehicle" means a vehicle that:

- 801 (a) meets air quality standards;
- 802 (b) is not fueled by natural gas;

803 (c) draws propulsion energy from a battery with at least 10 kilowatt hours of capacity;  
804 and

805 (d) is an OEM vehicle except that the vehicle is fueled by a fuel described in  
806 Subsection ~~[(33)(c)]~~ (34)(c).

807 ~~[(34)]~~ (35) "Qualifying plug-in hybrid vehicle" means a vehicle that:

808 (a) meets air quality standards;

809 (b) is not fueled by natural gas or propane;

810 (c) has a battery capacity that meets or exceeds the battery capacity described in

811 Subsection 30D(b)(3), Internal Revenue Code; and

812 (d) is fueled by a combination of electricity and:

813 (i) diesel fuel;

814 (ii) gasoline; or

815 (iii) a mixture of gasoline and ethanol.

816 ~~[(35)]~~ (36) "Reduced payment obligation" means the full obligation of an owner of  
817 property within an energy assessment area to pay an assessment levied on the property after the  
818 local entity has reduced the assessment because of the issuance of a refunding assessment  
819 bond, in accordance with Section 11-42a-403.

820 ~~[(36)]~~ (37) "Refunding assessment bond" means an assessment bond that a local entity  
821 issues under Section 11-42a-403 to refund, in part or in whole, energy assessment bonds.

822 ~~[(37)(a)]~~ "Renewable energy system" means a product, system, device, or interacting  
823 group of devices that is permanently affixed to commercial or industrial real property not  
824 located in the certified service area of a distribution electrical cooperative, as that term is  
825 defined in Section 54-2-1, and:]

826 ~~[(i)]~~ produces energy from renewable resources, including:]

827 ~~[(A)]~~ a photovoltaic system;]

828 ~~[(B)]~~ a solar thermal system;]

829 ~~[(C)]~~ a wind system;]

830 ~~[(D)]~~ a geothermal system, including a generation system, a direct-use system, or a  
831 ground source heat pump system;]

832 ~~[(E)]~~ a microhydro system;]

833 ~~[(F)]~~ a biofuel system; or]

834 ~~[(G) any other renewable source system that the governing body of the local entity~~  
835 ~~approves;]~~

836 ~~[(ii) stores energy, including:]~~

837 ~~[(A) a battery storage system; or]~~

838 ~~[(B) any other energy storing system that the governing body or chief executive officer~~  
839 ~~of a local entity approves; or]~~

840 ~~[(iii) any improvement that relates physically or functionally to any of the products,~~  
841 ~~systems, or devices listed in Subsection (37)(a)(i) or (ii).]~~

842 ~~[(b) "Renewable energy system" does not include a system described in Subsection~~  
843 ~~(37)(a)(i) if the system provides energy to property outside the energy assessment area, unless~~  
844 ~~the system:]~~

845 ~~[(i) (A) existed before the creation of the energy assessment area; and]~~

846 ~~[(B) beginning before January 1, 2017, provides energy to property outside of the area~~  
847 ~~that became the energy assessment area; or]~~

848 ~~[(ii) provides energy to property outside the energy assessment area under an~~  
849 ~~agreement with a public electrical utility that is substantially similar to agreements for other~~  
850 ~~renewable energy systems that are not funded under this chapter.]~~

851 (38) "Special district" means a special district under Title 17B, Limited Purpose Local  
852 Government Entities - Special Districts.

853 (39) "Special service district" means the same as that term is defined in Section  
854 17D-1-102.

855 (40) "State interlocal entity" means:

856 (a) an interlocal entity created under Chapter 13, Interlocal Cooperation Act, by two or  
857 more counties, cities, towns, or metro townships that collectively represent at least a majority  
858 of the state's population; or

859 (b) an entity that another state authorized, before January 1, 2017, to issue bonds,  
860 notes, or other obligations or refunding obligations to finance or refinance projects in the state.

861 (41) "Third-party lender" means a trust company, savings bank, savings and loan  
862 association, bank, credit union, or any other entity that provides loans directly to property  
863 owners for improvements authorized under this chapter.

864 Section 9. Section 11-42a-103 is amended to read:

865           **11-42a-103. No limitation on other local entity powers -- Conflict with other**  
866 **statutory provisions.**

867           (1) This chapter does not limit a power that a local entity has under other applicable  
868 law to:

869           (a) make an improvement or provide a service;

870           (b) create a district;

871           (c) levy an assessment or tax; or

872           (d) issue a bond or a refunding bond.

873           (2) If there is a conflict between a provision of this chapter and any other statutory  
874 provision, the provision of this chapter governs.

875           (3) After January 1, 2017, a local entity or the C-PACE district may create an energy  
876 assessment area within the certificated service territory of a public electrical utility for the  
877 installation of a [renewable] clean energy system with a nameplate rating of:

878           (a) no more than 2.0 megawatts; or

879           (b) more than 2.0 megawatts to serve load that the public electrical utility does not  
880 already serve.

881           Section 10. Section **11-58-102** is amended to read:

882           **11-58-102. Definitions.**

883           As used in this chapter:

884           (1) "Authority" means the Utah Inland Port Authority, created in Section [11-58-201](#).

885           (2) "Authority jurisdictional land" means land within the authority boundary  
886 delineated:

887           (a) in the electronic shapefile that is the electronic component of H.B. 2001, Utah  
888 Inland Port Authority Amendments, 2018 Second Special Session; and

889           (b) beginning April 1, 2020, as provided in Subsection [11-58-202\(3\)](#).

890           (3) "Base taxable value" means:

891           (a) (i) except as provided in Subsection (3)(a)(ii), for a project area that consists of the  
892 authority jurisdictional land, the taxable value of authority jurisdictional land in calendar year  
893 2018; and

894           (ii) for an area described in Section [11-58-600.7](#), the taxable value of that area in  
895 calendar year 2017; or

896 (b) for a project area that consists of land outside the authority jurisdictional land, the  
897 taxable value of property within any portion of a project area, as designated by board  
898 resolution, from which the property tax differential will be collected, as shown upon the  
899 assessment roll last equalized before the year in which the authority adopts a project area plan  
900 for that area.

901 (4) "Board" means the authority's governing body, created in Section 11-58-301.

902 (5) "Business plan" means a plan designed to facilitate, encourage, and bring about  
903 development of the authority jurisdictional land to achieve the goals and objectives described  
904 in Subsection 11-58-203(1), including the development and establishment of an inland port.

905 (6) "Contaminated land" means land:

906 (a) within a project area; and

907 (b) that contains hazardous materials, as defined in Section 19-6-302, hazardous  
908 substances, as defined in Section 19-6-302, or landfill material on, in, or under the land.

909 (7) "Development" means:

910 (a) the demolition, construction, reconstruction, modification, expansion, or  
911 improvement of a building, utility, infrastructure, landscape, parking lot, park, trail,  
912 recreational amenity, or other facility, including public infrastructure and improvements; and

913 (b) the planning of, arranging for, or participation in any of the activities listed in  
914 Subsection (7)(a).

915 (8) "Development project" means a project for the development of land within a  
916 project area.

917 (9) "Inland port" means one or more sites that:

918 (a) contain multimodal facilities, intermodal facilities, or other facilities that:

919 (i) are related but may be separately owned and managed; and

920 (ii) together are intended to:

921 (A) allow global trade to be processed and altered by value-added services as goods  
922 move through the supply chain;

923 (B) provide a regional merging point for transportation modes for the distribution of  
924 goods to and from ports and other locations in other regions;

925 (C) provide cargo-handling services to allow freight consolidation and distribution,  
926 temporary storage, customs clearance, and connection between transport modes; and

927 (D) provide international logistics and distribution services, including freight  
928 forwarding, customs brokerage, integrated logistics, and information systems; and  
929 (b) may include a satellite customs clearance terminal, an intermodal facility, a  
930 customs pre-clearance for international trade, or other facilities that facilitate, encourage, and  
931 enhance regional, national, and international trade.

932 (10) "Inland port use" means a use of land:  
933 (a) for an inland port;  
934 (b) that directly implements or furthers the purposes of an inland port, as stated in  
935 Subsection (9);  
936 (c) that complements or supports the purposes of an inland port, as stated in Subsection  
937 (9); or  
938 (d) that depends upon the presence of the inland port for the viability of the use.

939 (11) "Intermodal facility" means a facility for transferring containerized cargo between  
940 rail, truck, air, or other transportation modes.

941 (12) "Landfill material" means garbage, waste, debris, or other materials disposed of or  
942 placed in a landfill.

943 (13) "Multimodal facility" means a hub or other facility for trade combining any  
944 combination of rail, trucking, air cargo, and other transportation services.

945 (14) "Nonvoting member" means an individual appointed as a member of the board  
946 under Subsection 11-58-302(3) who does not have the power to vote on matters of authority  
947 business.

948 (15) "Project area" means:  
949 (a) the authority jurisdictional land, subject to Section 11-58-605; or  
950 (b) land outside the authority jurisdictional land, whether consisting of a single  
951 contiguous area or multiple noncontiguous areas, described in a project area plan or draft  
952 project area plan, where the development project set forth in the project area plan or draft  
953 project area plan takes place or is proposed to take place.

954 (16) "Project area budget" means a multiyear projection of annual or cumulative  
955 revenues and expenses and other fiscal matters pertaining to the project area.

956 (17) "Project area plan" means a written plan that, after its effective date, guides and  
957 controls the development within a project area.

958 (18) "Property tax" includes a privilege tax and each levy on an ad valorem basis on  
959 tangible or intangible personal or real property.

960 (19) "Property tax differential":

961 (a) means the difference between:

962 (i) the amount of property tax revenues generated each tax year by all taxing entities  
963 from a project area, using the current assessed value of the property; and

964 (ii) the amount of property tax revenues that would be generated from that same area  
965 using the base taxable value of the property; and

966 (b) does not include property tax revenue from:

967 (i) a county additional property tax or multicounty assessing and collecting levy  
968 imposed in accordance with Section 59-2-1602;

969 (ii) a judgment levy imposed by a taxing entity under Section 59-2-1328 or 59-2-1330;

970 or

971 (iii) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general  
972 obligation bond.

973 (20) "Public entity" means:

974 (a) the state, including each department, division, or other agency of the state; or

975 (b) a county, city, town, metro township, school district, special district, special service  
976 district, interlocal cooperation entity, community reinvestment agency, or other political  
977 subdivision of the state, including the authority.

978 (21) (a) "Public infrastructure and improvements" means infrastructure, improvements,  
979 facilities, or buildings that:

980 (i) (A) benefit the public and are owned by a public entity or a utility; or

981 (B) benefit the public and are publicly maintained or operated by a public entity; or

982 (ii) (A) are privately owned;

983 (B) benefit the public;

984 (C) as determined by the board, provide a substantial benefit to the development and  
985 operation of a project area; and

986 (D) are built according to applicable county or municipal design and safety standards.

987 (b) "Public infrastructure and improvements" includes:

988 (i) facilities, lines, or systems that provide:

989 (A) water, chilled water, or steam; or

990 (B) sewer, storm drainage, natural gas, electricity, energy storage, [~~renewable~~] clean  
991 energy, microgrids, or telecommunications service;

992 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking  
993 facilities, rail lines, intermodal facilities, multimodal facilities, and public transportation  
994 facilities;

995 (iii) an inland port; and

996 (iv) infrastructure, improvements, facilities, or buildings that are developed as part of a  
997 remediation project.

998 (22) "Remediation" includes:

999 (a) activities for the cleanup, rehabilitation, and development of contaminated land;  
1000 and

1001 (b) acquiring an interest in land within a remediation project area.

1002 (23) "Remediation differential" means property tax differential generated from a  
1003 remediation project area.

1004 (24) "Remediation project" means a project for the remediation of contaminated land  
1005 that:

1006 (a) is owned by:

1007 (i) the state or a department, division, or other instrumentality of the state;

1008 (ii) an independent entity, as defined in Section [63E-1-102](#); or

1009 (iii) a political subdivision of the state; and

1010 (b) became contaminated land before the owner described in Subsection (24)(a)  
1011 obtained ownership of the land.

1012 (25) "Remediation project area" means a project area consisting of contaminated land  
1013 that is or is expected to become the subject of a remediation project.

1014 (26) "Shapefile" means the digital vector storage format for storing geometric location  
1015 and associated attribute information.

1016 (27) "Taxable value" means the value of property as shown on the last equalized  
1017 assessment roll.

1018 (28) "Taxing entity":

1019 (a) means a public entity that levies a tax on property within a project area; and

1020 (b) does not include a public infrastructure district that the authority creates under Title  
1021 17D, Chapter 4, Public Infrastructure District Act.

1022 (29) "Voting member" means an individual appointed or designated as a member of the  
1023 board under Subsection 11-58-302(2).

1024 Section 11. Section **11-58-203** is amended to read:

1025 **11-58-203. Policies and objectives of the authority -- Additional duties of the**  
1026 **authority.**

1027 (1) The policies and objectives of the authority are to:

1028 (a) maximize long-term economic benefits to the area, the region, and the state;

1029 (b) maximize the creation of high-quality jobs;

1030 (c) respect and maintain sensitivity to the unique natural environment of areas in  
1031 proximity to the authority jurisdictional land and land in other authority project areas;

1032 (d) improve air quality and minimize resource use;

1033 (e) respect existing land use and other agreements and arrangements between property  
1034 owners within the authority jurisdictional land and within other authority project areas and  
1035 applicable governmental authorities;

1036 (f) promote and encourage development and uses that are compatible with or  
1037 complement uses in areas in proximity to the authority jurisdictional land or land in other  
1038 authority project areas;

1039 (g) take advantage of the authority jurisdictional land's strategic location and other  
1040 features, including the proximity to transportation and other infrastructure and facilities, that  
1041 make the authority jurisdictional land attractive to:

1042 (i) businesses that engage in regional, national, or international trade; and

1043 (ii) businesses that complement businesses engaged in regional, national, or  
1044 international trade;

1045 (h) facilitate the transportation of goods;

1046 (i) coordinate trade-related opportunities to export Utah products nationally and  
1047 internationally;

1048 (j) support and promote land uses on the authority jurisdictional land and land in other  
1049 authority project areas that generate economic development, including rural economic  
1050 development;

- 1051 (k) establish a project of regional significance;
- 1052 (l) facilitate an intermodal facility;
- 1053 (m) support uses of the authority jurisdictional land for inland port uses, including
- 1054 warehousing, light manufacturing, and distribution facilities;
- 1055 (n) facilitate an increase in trade in the region and in global commerce;
- 1056 (o) promote the development of facilities that help connect local businesses to potential
- 1057 foreign markets for exporting or that increase foreign direct investment;
- 1058 (p) encourage all class 5 through 8 designated truck traffic entering the authority
- 1059 jurisdictional land to meet the heavy-duty highway compression-ignition diesel engine and
- 1060 urban bus exhaust emission standards for year 2007 and later;
- 1061 (q) encourage the development and use of cost-efficient [~~renewable~~] clean energy in
- 1062 project areas;
- 1063 (r) aggressively pursue world-class businesses that employ cutting-edge technologies to
- 1064 locate within a project area; and
- 1065 (s) pursue land remediation and development opportunities for publicly owned land to
- 1066 add value to a project area.
- 1067 (2) In fulfilling its duties and responsibilities relating to the development of the
- 1068 authority jurisdictional land and land in other authority project areas and to achieve and
- 1069 implement the development policies and objectives under Subsection (1), the authority shall:
- 1070 (a) work to identify funding sources, including federal, state, and local government
- 1071 funding and private funding, for capital improvement projects in and around the authority
- 1072 jurisdictional land and land in other authority project areas and for an inland port;
- 1073 (b) review and identify land use and zoning policies and practices to recommend to
- 1074 municipal land use policymakers and administrators that are consistent with and will help to
- 1075 achieve:
- 1076 (i) the policies and objectives stated in Subsection (1); and
- 1077 (ii) the mutual goals of the state and local governments that have authority
- 1078 jurisdictional land with their boundaries with respect to the authority jurisdictional land;
- 1079 (c) consult and coordinate with other applicable governmental entities to improve and
- 1080 enhance transportation and other infrastructure and facilities in order to maximize the potential
- 1081 of the authority jurisdictional land to attract, retain, and service users who will help maximize

1082 the long-term economic benefit to the state; and

1083 (d) pursue policies that the board determines are designed to avoid or minimize  
1084 negative environmental impacts of development.

1085 (3) The board may consider the emissions profile of road, yard, or rail vehicles:

1086 (a) in determining access by those vehicles to facilities that the authority owns or  
1087 finances; or

1088 (b) in setting fees applicable to those vehicles for the use of facilities that the authority  
1089 owns or finances.

1090 Section 12. Section **11-59-102** is amended to read:

1091 **11-59-102. Definitions.**

1092 As used in this chapter:

1093 (1) "Authority" means the Point of the Mountain State Land Authority, created in  
1094 Section [11-59-201](#).

1095 (2) "Board" means the authority's board, created in Section [11-59-301](#).

1096 (3) "Development":

1097 (a) means the construction, reconstruction, modification, expansion, or improvement of  
1098 a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or  
1099 other facility, including:

1100 (i) the demolition or preservation or repurposing of a building, infrastructure, or other  
1101 facility;

1102 (ii) surveying, testing, locating existing utilities and other infrastructure, and other  
1103 preliminary site work; and

1104 (iii) any associated planning, design, engineering, and related activities; and

1105 (b) includes all activities associated with:

1106 (i) marketing and business recruiting activities and efforts;

1107 (ii) leasing, or selling or otherwise disposing of, all or any part of the point of the  
1108 mountain state land; and

1109 (iii) planning and funding for mass transit infrastructure to service the point of the  
1110 mountain state land.

1111 (4) "Facilities division" means the Division of Facilities Construction and  
1112 Management, created in Section [63A-5b-301](#).

1113 (5) "New correctional facility" means the state correctional facility being developed in  
1114 Salt Lake City to replace the state correctional facility in Draper.

1115 (6) "Point of the mountain state land" means the approximately 700 acres of  
1116 state-owned land in Draper, including land used for the operation of a state correctional facility  
1117 until completion of the new correctional facility and state-owned land in the vicinity of the  
1118 current state correctional facility.

1119 (7) "Public entity" means:

1120 (a) the state, including each department, division, or other agency of the state; or

1121 (b) a county, city, town, metro township, school district, special district, special service  
1122 district, interlocal cooperation entity, community reinvestment agency, or other political  
1123 subdivision of the state, including the authority.

1124 (8) "Publicly owned infrastructure and improvements":

1125 (a) means infrastructure, improvements, facilities, or buildings that:

1126 (i) benefit the public; and

1127 (ii) (A) are owned by a public entity or a utility; or

1128 (B) are publicly maintained or operated by a public entity; and

1129 (b) includes:

1130 (i) facilities, lines, or systems that provide:

1131 (A) water, chilled water, or steam; or

1132 (B) sewer, storm drainage, natural gas, electricity, energy storage, ~~renewable~~ clean  
1133 energy, microgrids, or telecommunications service;

1134 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking  
1135 facilities, and public transportation facilities; and

1136 (iii) greenspace, parks, trails, recreational amenities, or other similar facilities.

1137 (9) "Taxing entity" means the same as that term is defined in Section 59-2-102.

1138 Section 13. Section 11-59-202 is amended to read:

1139 **11-59-202. Authority powers.**

1140 (1) The authority may:

1141 (a) as provided in this chapter, plan, manage, and implement the development of the  
1142 point of the mountain state land, including the ongoing operation of facilities on the point of  
1143 the mountain state land;

1144 (b) undertake, or engage a consultant to undertake, any study, effort, or activity the  
1145 board considers appropriate to assist or inform the board about any aspect of the proposed  
1146 development of the point of the mountain state land, including the best development model and  
1147 financial projections relevant to the authority's efforts to fulfill its duties and responsibilities  
1148 under this section and Section 11-59-203;

1149 (c) sue and be sued;

1150 (d) enter into contracts generally, including a contract for the sharing of records under  
1151 Section 63G-2-206;

1152 (e) buy, obtain an option upon, or otherwise acquire any interest in real or personal  
1153 property, as necessary to accomplish the duties and responsibilities of the authority, including  
1154 an interest in real property, apart from point of the mountain state land, or personal property,  
1155 outside point of the mountain state land, for publicly owned infrastructure and improvements,  
1156 if the board considers the purchase, option, or other interest acquisition to be necessary for  
1157 fulfilling the authority's development objectives;

1158 (f) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or  
1159 personal property;

1160 (g) enter into a lease agreement on real or personal property, either as lessee or lessor;

1161 (h) provide for the development of the point of the mountain state land under one or  
1162 more contracts, including the development of publicly owned infrastructure and improvements  
1163 and other infrastructure and improvements on or related to the point of the mountain state land;

1164 (i) exercise powers and perform functions under a contract, as authorized in the  
1165 contract;

1166 (j) accept financial or other assistance from any public or private source for the  
1167 authority's activities, powers, and duties, and expend any funds so received for any of the  
1168 purposes of this chapter;

1169 (k) borrow money, contract with, or accept financial or other assistance from the  
1170 federal government, a public entity, or any other source for any of the purposes of this chapter  
1171 and comply with any conditions of the loan, contract, or assistance;

1172 (l) subject to Subsection (2), issue bonds to finance the undertaking of any  
1173 development objectives of the authority, including bonds under Title 11, Chapter 17, Utah  
1174 Industrial Facilities and Development Act, and bonds under Title 11, Chapter 42, Assessment

- 1175 Area Act;
- 1176 (m) hire employees, including contract employees, in addition to or in place of staff  
1177 provided under Section [11-59-304](#);
- 1178 (n) transact other business and exercise all other powers provided for in this chapter;
- 1179 (o) enter into a development agreement with a developer of some or all of the point of  
1180 the mountain state land;
- 1181 (p) provide for or finance an energy efficiency upgrade, a [~~renewable~~] clean energy  
1182 system, or electric vehicle charging infrastructure as defined in Section [11-42a-102](#), in  
1183 accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act;
- 1184 (q) exercise powers and perform functions that the authority is authorized by statute to  
1185 exercise or perform;
- 1186 (r) enter into one or more interlocal agreements under Title 11, Chapter 13, Interlocal  
1187 Cooperation Act, with one or more local government entities for the delivery of services to the  
1188 point of the mountain state land;
- 1189 (s) enter into an agreement with the federal government or an agency of the federal  
1190 government, as the board considers necessary or advisable, to enable or assist the authority to  
1191 exercise its powers or fulfill its duties and responsibilities under this chapter;
- 1192 (t) provide funding for the development of publicly owned infrastructure and  
1193 improvements or other infrastructure and improvements on or related to the point of the  
1194 mountain state land; and
- 1195 (u) impose impact fees under Title 11, Chapter 36a, Impact Fees Act, and other fees  
1196 related to development activities.
- 1197 (2) The authority may not issue bonds under this part unless the board first:
- 1198 (a) adopts a parameters resolution for the bonds that sets forth:
- 1199 (i) the maximum:
- 1200 (A) amount of bonds;
- 1201 (B) term; and
- 1202 (C) interest rate; and
- 1203 (ii) the expected security for the bonds; and
- 1204 (b) submits the parameters resolution for review and recommendation to the State  
1205 Finance Review Commission created in Section [63C-25-201](#).

1206 (3) No later than 60 days after the closing day of any bonds, the authority shall report  
1207 the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:

- 1208 (a) the Executive Appropriations Committee; and
- 1209 (b) the State Finance Review Commission created in Section 63C-25-201.

1210 Section 14. Section 11-65-101 is amended to read:

1211 **11-65-101. Definitions.**

1212 As used in this chapter:

- 1213 (1) "Adjacent political subdivision" means a political subdivision of the state with a  
1214 boundary that abuts the lake authority boundary or includes lake authority land.
- 1215 (2) "Board" means the lake authority's governing body, created in Section 11-65-301.
- 1216 (3) "Lake authority" means the Utah Lake Authority, created in Section 11-65-201.
- 1217 (4) "Lake authority boundary" means the boundary:
  - 1218 (a) defined by recorded boundary settlement agreements between private landowners  
1219 and the Division of Forestry, Fire, and State Lands; and
  - 1220 (b) that separates privately owned land from Utah Lake sovereign land.
- 1221 (5) "Lake authority land" means land on the lake side of the lake authority boundary.
- 1222 (6) "Management" means work to coordinate and facilitate the improvement of Utah  
1223 Lake, including work to enhance the long-term viability and health of Utah Lake and to  
1224 produce economic, aesthetic, recreational, environmental, and other benefits for the state,  
1225 consistent with the strategies, policies, and objectives described in this chapter.
- 1226 (7) "Management plan" means a plan to conceptualize, design, facilitate, coordinate,  
1227 encourage, and bring about the management of the lake authority land to achieve the policies  
1228 and objectives described in Section 11-65-203.
- 1229 (8) "Nonvoting member" means an individual appointed as a member of the board  
1230 under Subsection 11-65-302(6) who does not have the power to vote on matters of lake  
1231 authority business.
- 1232 (9) "Project area" means an area that is identified in a project area plan as the area  
1233 where the management described in the project area plan will occur.
- 1234 (10) "Project area budget" means a multiyear projection of annual or cumulative  
1235 revenues and expenses and other fiscal matters pertaining to a project area.
- 1236 (11) "Project area plan" means a written plan that, after the plan's effective date,

1237 manages activity within a project area within the scope of a management plan.

1238 (12) "Public entity" means:

1239 (a) the state, including each department, division, or other agency of the state; or

1240 (b) a county, city, town, metro township, school district, special district, special service

1241 district, interlocal cooperation entity, community reinvestment agency, or other political

1242 subdivision of the state.

1243 (13) "Publicly owned infrastructure and improvements":

1244 (a) means infrastructure, improvements, facilities, or buildings that:

1245 (i) benefit the public; and

1246 (ii) (A) are owned by a public entity or a utility; or

1247 (B) are publicly maintained or operated by a public entity; and

1248 (b) includes:

1249 (i) facilities, lines, or systems that provide:

1250 (A) water, chilled water, or steam; or

1251 (B) sewer, storm drainage, natural gas, electricity, energy storage, [~~renewable~~] clean

1252 energy, microgrids, or telecommunications service; and

1253 (ii) streets, roads, curbs, gutters, sidewalks, walkways, solid waste facilities, parking

1254 facilities, and public transportation facilities.

1255 (14) "Sovereign land" means land:

1256 (a) lying below the ordinary high water mark of a navigable body of water at the date

1257 of statehood; and

1258 (b) owned by the state by virtue of the state's sovereignty.

1259 (15) "Utah Lake" includes all waters of Utah Lake and all land, whether or not

1260 submerged under water, within the lake authority boundary.

1261 (16) "Voting member" means an individual appointed as a member of the board under

1262 Subsection [11-65-302\(2\)](#).

1263 Section 15. Section **11-65-203** is amended to read:

1264 **11-65-203. Policies and objectives of the lake authority -- Additional duties of the**

1265 **lake authority.**

1266 (1) The policies and objectives of the lake authority are to:

1267 (a) protect and improve:

- 1268 (i) the quality of Utah Lake's water, consistent with the Clean Water Act, 33 U.S.C.  
1269 Sec. 1251 et seq., and Title 19, Chapter 5, Water Quality Act;
- 1270 (ii) the beneficial and public trust uses of Utah Lake;
- 1271 (iii) Utah Lake's environmental quality; and
- 1272 (iv) the quality of Utah Lake's lakebed and sediments;
- 1273 (b) enhance the recreational opportunities afforded by Utah Lake;
- 1274 (c) enhance long-term economic benefits to the area, the region, and the state;
- 1275 (d) respect and maintain sensitivity to the unique natural environment of areas in and  
1276 around the lake authority boundary;
- 1277 (e) improve air quality and minimize resource use;
- 1278 (f) comply with existing land use and other agreements and arrangements between  
1279 property owners and applicable governmental authorities;
- 1280 (g) promote and encourage management and uses that are compatible with or  
1281 complement the public trust and uses in areas in proximity to Utah Lake;
- 1282 (h) take advantage of Utah Lake's strategic location and other features that make Utah  
1283 Lake attractive:
- 1284 (i) to residents for recreational purposes;
- 1285 (ii) for tourism and leisure; and
- 1286 (iii) for business opportunities;
- 1287 (i) encourage the development and use of cost-efficient [renewable] clean energy in  
1288 project areas;
- 1289 (j) as consistent with applicable public trust, support and promote land uses on land  
1290 within the lake authority boundary and land in adjacent political subdivisions that generate  
1291 economic development, including rural economic development;
- 1292 (k) respect and not interfere with water rights or the operation of water facilities or  
1293 water projects associated with Utah Lake;
- 1294 (l) respect and maintain sensitivity to the unique Native American history, historical  
1295 sites, and artifacts within and around the lake authority boundary; and
- 1296 (m) protect the ability of the Provo airport to operate and grow, consistent with  
1297 applicable environmental regulations, recognizing the significant state investment in the airport  
1298 and the benefits that a thriving airport provides to the quality of life and the economy.

1299 (2) In fulfilling the lake authority's duties and responsibilities relating to the  
1300 management of Utah Lake and to achieve and implement the management policies and  
1301 objectives under Subsection (1), the lake authority shall:

1302 (a) work to identify funding sources, including federal, state, and local government  
1303 funding and private funding, for capital improvement projects in and around Utah Lake;

1304 (b) review and identify land use and zoning policies and practices to recommend to  
1305 land use policymakers and administrators of adjoining municipalities that are consistent with  
1306 and will help to achieve the policies and objectives stated in Subsection (1);

1307 (c) consult and coordinate with other applicable governmental entities to improve and  
1308 enhance transportation and other infrastructure and facilities in order to maximize the potential  
1309 of Utah Lake to attract, retain, and service users who will help enhance the long-term economic  
1310 benefit to the state; and

1311 (d) pursue policies that the board determines are designed to avoid or minimize  
1312 negative environmental impacts of management.

1313 (3) The lake authority shall respect:

1314 (a) a permit issued by a governmental entity applicable to Utah Lake;

1315 (b) a governmental entity's easement or other interest affecting Utah Lake;

1316 (c) an agreement between governmental entities, including between a state agency and  
1317 the federal government, relating to Utah Lake; and

1318 (d) the public trust doctrine as applicable to land within the lake authority boundary.

1319 (4) (a) The lake authority may use lake authority money to encourage, incentivize,  
1320 fund, or require development that:

1321 (i) mitigates noise, air pollution, light pollution, surface and groundwater pollution,  
1322 and other negative environmental impacts;

1323 (ii) includes building or project designs that minimize negative impacts to the June  
1324 Sucker, avian species, and other wildlife;

1325 (iii) mitigates traffic congestion; or

1326 (iv) uses high efficiency building construction and operation.

1327 (b) In consultation with the municipality in which management is expected to occur  
1328 and applicable state agencies, the lake authority shall establish minimum mitigation and  
1329 environmental standards for management occurring on land within the lake authority boundary.

1330 Section 16. Section **11-68-201** is amended to read:  
1331 **11-68-201. State Fair Park Authority -- Legal status -- Powers.**  
1332 (1) There is created the State Fair Park Authority.  
1333 (2) The authority is:  
1334 (a) an independent, nonprofit, separate body corporate and politic, with perpetual  
1335 succession;  
1336 (b) a political subdivision of the state; and  
1337 (c) a public corporation, as defined in Section [63E-1-102](#).  
1338 (3) (a) The fair corporation is dissolved and ceases to exist, subject to any winding  
1339 down and other actions necessary for a transition to the authority.  
1340 (b) The authority:  
1341 (i) replaces and is the successor to the fair corporation;  
1342 (ii) succeeds to all rights, obligations, privileges, immunities, and assets of the fair  
1343 corporation; and  
1344 (iii) shall fulfill and perform all contractual and other obligations of the fair  
1345 corporation.  
1346 (c) The board shall take all actions necessary and appropriate to wind down the affairs  
1347 of the fair corporation as quickly as practicable and to make a transition from the fair  
1348 corporation to the authority.  
1349 (4) The authority shall:  
1350 (a) manage, supervise, and control:  
1351 (i) all activities relating to the annual exhibition described in Subsection (4)(j); and  
1352 (ii) except as otherwise provided by statute, all state expositions, including setting the  
1353 time, place, and purpose of any state exposition;  
1354 (b) for public entertainment, displays, and exhibits or similar events held at the state  
1355 fair park:  
1356 (i) provide, sponsor, or arrange the events;  
1357 (ii) publicize and promote the events; and  
1358 (iii) secure funds to cover the cost of the exhibits from:  
1359 (A) private contributions;  
1360 (B) public appropriations;

- 1361 (C) admission charges; and  
1362 (D) other lawful means;  
1363 (c) acquire and designate exposition sites;  
1364 (d) use generally accepted accounting principles in accounting for the authority's assets,  
1365 liabilities, and operations;  
1366 (e) seek corporate sponsorships for the state fair park or for individual buildings or  
1367 facilities on fair park land;  
1368 (f) work with county and municipal governments, the Salt Lake Convention and  
1369 Visitor's Bureau, the Utah Office of Tourism, and other entities to develop and promote  
1370 expositions and the use of fair park land;  
1371 (g) develop and maintain a marketing program to promote expositions and the use of  
1372 fair park land;  
1373 (h) in accordance with provisions of this chapter, operate and maintain state-owned  
1374 buildings and facilities on fair park land, including the physical appearance and structural  
1375 integrity of those buildings and facilities;  
1376 (i) prepare an economic development plan for the fair park land;  
1377 (j) hold an annual exhibition on fair park land that:  
1378 (i) is called the state fair or a similar name;  
1379 (ii) promotes and highlights agriculture throughout the state;  
1380 (iii) includes expositions of livestock, poultry, agricultural, domestic science,  
1381 horticultural, floricultural, mineral and industrial products, manufactured articles, and domestic  
1382 animals that, in the board's opinion, will best stimulate agricultural, industrial, artistic, and  
1383 educational pursuits and the sharing of talents among the people of the state;  
1384 (iv) includes the award of premiums for the best specimens of the exhibited articles  
1385 and animals;  
1386 (v) permits competition by livestock exhibited by citizens of other states and territories  
1387 of the United States; and  
1388 (vi) is arranged according to plans approved by the board;  
1389 (k) fix the conditions of entry to the annual exhibition described in Subsection (4)(j);  
1390 and  
1391 (l) publish a list of premiums that will be awarded at the annual exhibition described in

1392 Subsection (4)(j) for the best specimens of exhibited articles and animals.

1393 (5) In addition to the annual exhibition described in Subsection (4)(j), the authority  
1394 may hold other exhibitions of livestock, poultry, agricultural, domestic science, horticultural,  
1395 floricultural, mineral and industrial products, manufactured articles, and domestic animals that,  
1396 in the corporation's opinion, will best stimulate agricultural, industrial, artistic, and educational  
1397 pursuits and the sharing of talents among the people of the state.

1398 (6) The authority may:

1399 (a) employ advisers, consultants, and agents, including financial experts and  
1400 independent legal counsel, and fix their compensation;

1401 (b) (i) participate in the state's Risk Management Fund created under Section  
1402 [63A-4-201](#) or any captive insurance company created by the risk manager; or

1403 (ii) procure insurance against any loss in connection with the authority's property and  
1404 other assets;

1405 (c) receive and accept aid or contributions of money, property, labor, or other things of  
1406 value from any source, including any grants or appropriations from any department, agency, or  
1407 instrumentality of the United States or the state;

1408 (d) hold, use, loan, grant, and apply that aid and those contributions to carry out the  
1409 purposes of the authority, subject to the conditions, if any, upon which the aid and  
1410 contributions are made;

1411 (e) enter into management agreements with any person or entity for the performance of  
1412 the authority's functions or powers;

1413 (f) establish accounts and procedures that are necessary to budget, receive, disburse,  
1414 account for, and audit all funds received, appropriated, or generated;

1415 (g) subject to Subsection (8), lease any of the state-owned buildings or facilities located  
1416 on fair park land;

1417 (h) sponsor events as approved by the board;

1418 (i) subject to Subsection (11), acquire any interest in real property that the board  
1419 considers necessary or advisable to further a purpose of the authority or facilitate the authority's  
1420 fulfillment of a duty under this chapter;

1421 (j) in accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean  
1422 Energy Act, provide for or finance an energy efficiency upgrade, a ~~renewable~~ clean energy

1423 system, or electric vehicle charging infrastructure, as those terms are defined in Section  
1424 [11-42a-102](#); and

1425 (k) enter into one or more agreements to develop the fair park land.

1426 (7) The authority shall comply with:

1427 (a) Title 51, Chapter 5, Funds Consolidation Act;

1428 (b) Title 51, Chapter 7, State Money Management Act;

1429 (c) Title 52, Chapter 4, Open and Public Meetings Act;

1430 (d) Title 63G, Chapter 2, Government Records Access and Management Act;

1431 (e) the provisions of Section [67-3-12](#);

1432 (f) Title 63G, Chapter 6a, Utah Procurement Code, except for a procurement for:

1433 (i) entertainment provided at the state fair park;

1434 (ii) judges for competitive exhibits; or

1435 (iii) sponsorship of an event on fair park land; and

1436 (g) the legislative approval requirements for capital development projects established  
1437 in Section [63A-5b-404](#).

1438 (8) (a) Before the authority executes a lease described in Subsection (6)(g) with a term  
1439 of 10 or more years, the authority shall:

1440 (i) submit the proposed lease to the division for the division's approval or rejection; and

1441 (ii) if the division approves the proposed lease, submit the proposed lease to the  
1442 Executive Appropriations Committee for the Executive Appropriation Committee's review and  
1443 recommendation in accordance with Subsection (8)(b).

1444 (b) The Executive Appropriations Committee shall review a proposed lease submitted  
1445 in accordance with Subsection (8)(a) and recommend to the authority that the authority:

1446 (i) execute the proposed lease, either as proposed or with changes recommended by the  
1447 Executive Appropriations Committee; or

1448 (ii) reject the proposed lease.

1449 (9) (a) Subject to Subsection (9)(b), a department, division, or other instrumentality of  
1450 the state and a political subdivision of the state shall cooperate with the authority to the fullest  
1451 extent possible to provide whatever support, information, or other assistance the authority  
1452 requests that is reasonably necessary to help the authority fulfill the authority's duties and  
1453 responsibilities under this chapter.

1454 (b) The division shall provide assistance and resources to the authority as the division  
1455 director determines is appropriate.

1456 (10) The authority may share authority revenue with a municipality in which the fair  
1457 park land is located, as provided in an agreement between the authority and the municipality, to  
1458 pay for municipal services provided by the municipality.

1459 (11) (a) As used in this Subsection (11), "new land" means land that, if acquired by the  
1460 authority, would result in the authority having acquired over three acres of land more than the  
1461 land described in Subsection 11-68-101(9)(a).

1462 (b) In conjunction with the authority's acquisition of new land, the authority shall enter  
1463 an agreement with the municipality in which the new land is located.

1464 (c) To provide funds for the cost of increased municipal services that the municipality  
1465 will provide to the new land, an agreement under Subsection (11)(b) shall:

1466 (i) provide for:

1467 (A) the payment of impact fees to the municipality for development activity on the new  
1468 land; and

1469 (B) the authority's sharing with the municipality tax revenue generated from the new  
1470 land; and

1471 (ii) be structured in a way that recognizes the needs of the authority and furthers mutual  
1472 goals of the authority and the municipality.

1473 Section 17. Section 17-27a-401 is amended to read:

1474 **17-27a-401. General plan required -- Content -- Resource management plan --**  
1475 **Provisions related to radioactive waste facility.**

1476 (1) To accomplish the purposes of this chapter, a county shall prepare and adopt a  
1477 comprehensive, long-range general plan:

1478 (a) for present and future needs of the county;

1479 (b) (i) for growth and development of all or any part of the land within the  
1480 unincorporated portions of the county; or

1481 (ii) if a county has designated a mountainous planning district, for growth and  
1482 development of all or any part of the land within the mountainous planning district; and

1483 (c) as a basis for communicating and coordinating with the federal government on land  
1484 and resource management issues.

- 1485 (2) To promote health, safety, and welfare, the general plan may provide for:
- 1486 (a) health, general welfare, safety, energy conservation, transportation, prosperity, civic  
1487 activities, aesthetics, and recreational, educational, and cultural opportunities;
- 1488 (b) the reduction of the waste of physical, financial, or human resources that result  
1489 from either excessive congestion or excessive scattering of population;
- 1490 (c) the efficient and economical use, conservation, and production of the supply of:
- 1491 (i) food and water; and
- 1492 (ii) drainage, sanitary, and other facilities and resources;
- 1493 (d) the use of energy conservation and solar and [~~renewable~~] clean energy resources;
- 1494 (e) the protection of urban development;
- 1495 (f) the protection and promotion of air quality;
- 1496 (g) historic preservation;
- 1497 (h) identifying future uses of land that are likely to require an expansion or significant  
1498 modification of services or facilities provided by an affected entity; and
- 1499 (i) an official map.
- 1500 (3) (a) (i) The general plan of a specified county, as defined in Section 17-27a-408,  
1501 shall include a moderate income housing element that meets the requirements of Subsection  
1502 17-27a-403(2)(a)(iii).
- 1503 (ii) (A) This Subsection (3)(a)(ii) applies to a county that does not qualify as a  
1504 specified county as of January 1, 2023.
- 1505 (B) As of January 1, if a county described in Subsection (3)(a)(ii)(A) changes from one  
1506 class to another or grows in population to qualify as a specified county as defined in Section  
1507 17-27a-408, the county shall amend the county's general plan to comply with Subsection  
1508 (3)(a)(i) on or before August 1 of the first calendar year beginning on January 1 in which the  
1509 county qualifies as a specified county.
- 1510 (iii) A county described in Subsection (3)(a)(ii)(B) shall send a copy of the county's  
1511 amended general plan to the association of governments, established pursuant to an interlocal  
1512 agreement under Title 11, Chapter 13, Interlocal Cooperation Act, of which the county is a  
1513 member.
- 1514 (b) The general plan shall contain a resource management plan for the public lands, as  
1515 defined in Section 63L-6-102, within the county.

- 1516 (c) The resource management plan described in Subsection (3)(b) shall address:
- 1517 (i) mining;
  - 1518 (ii) land use;
  - 1519 (iii) livestock and grazing;
  - 1520 (iv) irrigation;
  - 1521 (v) agriculture;
  - 1522 (vi) fire management;
  - 1523 (vii) noxious weeds;
  - 1524 (viii) forest management;
  - 1525 (ix) water rights;
  - 1526 (x) ditches and canals;
  - 1527 (xi) water quality and hydrology;
  - 1528 (xii) flood plains and river terraces;
  - 1529 (xiii) wetlands;
  - 1530 (xiv) riparian areas;
  - 1531 (xv) predator control;
  - 1532 (xvi) wildlife;
  - 1533 (xvii) fisheries;
  - 1534 (xviii) recreation and tourism;
  - 1535 (xix) energy resources;
  - 1536 (xx) mineral resources;
  - 1537 (xxi) cultural, historical, geological, and paleontological resources;
  - 1538 (xxii) wilderness;
  - 1539 (xxiii) wild and scenic rivers;
  - 1540 (xxiv) threatened, endangered, and sensitive species;
  - 1541 (xxv) land access;
  - 1542 (xxvi) law enforcement;
  - 1543 (xxvii) economic considerations; and
  - 1544 (xxviii) air.
- 1545 (d) For each item listed under Subsection (3)(c), a county's resource management plan
- 1546 shall:

- 1547 (i) establish findings pertaining to the item;
- 1548 (ii) establish defined objectives; and
- 1549 (iii) outline general policies and guidelines on how the objectives described in
- 1550 Subsection (3)(d)(ii) are to be accomplished.
- 1551 (4) (a) (i) The general plan shall include specific provisions related to an area within, or
- 1552 partially within, the exterior boundaries of the county, or contiguous to the boundaries of a
- 1553 county, which are proposed for the siting of a storage facility or transfer facility for the
- 1554 placement of high-level nuclear waste or greater than class C radioactive nuclear waste, as
- 1555 these wastes are defined in Section 19-3-303.
- 1556 (ii) The provisions described in Subsection (4)(a)(i) shall address the effects of the
- 1557 proposed site upon the health and general welfare of citizens of the state, and shall provide:
- 1558 (A) the information identified in Section 19-3-305;
- 1559 (B) information supported by credible studies that demonstrates that Subsection
- 1560 19-3-307(2) has been satisfied; and
- 1561 (C) specific measures to mitigate the effects of high-level nuclear waste and greater
- 1562 than class C radioactive waste and guarantee the health and safety of the citizens of the state.
- 1563 (b) A county may, in lieu of complying with Subsection (4)(a), adopt an ordinance
- 1564 indicating that all proposals for the siting of a storage facility or transfer facility for the
- 1565 placement of high-level nuclear waste or greater than class C radioactive waste wholly or
- 1566 partially within the county are rejected.
- 1567 (c) A county may adopt the ordinance listed in Subsection (4)(b) at any time.
- 1568 (d) The county shall send a certified copy of the ordinance described in Subsection
- 1569 (4)(b) to the executive director of the Department of Environmental Quality by certified mail
- 1570 within 30 days of enactment.
- 1571 (e) If a county repeals an ordinance adopted under Subsection (4)(b) the county shall:
- 1572 (i) comply with Subsection (4)(a) as soon as reasonably possible; and
- 1573 (ii) send a certified copy of the repeal to the executive director of the Department of
- 1574 Environmental Quality by certified mail within 30 days after the repeal.
- 1575 (5) The general plan may define the county's local customs, local culture, and the
- 1576 components necessary for the county's economic stability.
- 1577 (6) Subject to Subsection 17-27a-403(2), the county may determine the

1578 comprehensiveness, extent, and format of the general plan.

1579 (7) If a county has designated a mountainous planning district, the general plan for the  
1580 mountainous planning district is the controlling plan.

1581 (8) Nothing in this part may be construed to limit the authority of the state to manage  
1582 and protect wildlife under Title 23A, Wildlife Resources Act.

1583 (9) On or before December 31, 2025, a county that has a general plan that does not  
1584 include a water use and preservation element that complies with Section 17-27a-403 shall  
1585 amend the county's general plan to comply with Section 17-27a-403.

1586 Section 18. Section 17-50-335 is amended to read:

1587 **17-50-335. Energy efficiency upgrade, clean energy system, or electric vehicle**  
1588 **charging infrastructure.**

1589 A county may provide or finance an energy efficiency upgrade, a [renewable] clean  
1590 energy system, or electric vehicle charging infrastructure as defined in Section 11-42a-102, in a  
1591 designated voluntary assessment area in accordance with Title 11, Chapter 42a, Commercial  
1592 Property Assessed Clean Energy Act.

1593 Section 19. Section 17B-1-202 is amended to read:

1594 **17B-1-202. Special district may be created -- Services that may be provided --**  
1595 **Limitations.**

1596 (1) (a) A special district may be created as provided in this part to provide within its  
1597 boundaries service consisting of:

1598 (i) the operation of an airport;

1599 (ii) the operation of a cemetery;

1600 (iii) fire protection, paramedic, and emergency services, including consolidated 911  
1601 and emergency dispatch services;

1602 (iv) garbage collection and disposal;

1603 (v) health care, including health department or hospital service;

1604 (vi) the operation of a library;

1605 (vii) abatement or control of mosquitos and other insects;

1606 (viii) the operation of parks or recreation facilities or services;

1607 (ix) the operation of a sewage system;

1608 (x) the construction and maintenance of a right-of-way, including:

- 1609 (A) a curb;
- 1610 (B) a gutter;
- 1611 (C) a sidewalk;
- 1612 (D) a street;
- 1613 (E) a road;
- 1614 (F) a water line;
- 1615 (G) a sewage line;
- 1616 (H) a storm drain;
- 1617 (I) an electricity line;
- 1618 (J) a communications line;
- 1619 (K) a natural gas line; or
- 1620 (L) street lighting;
- 1621 (xi) transportation, including public transit and providing streets and roads;
- 1622 (xii) the operation of a system, or one or more components of a system, for the
- 1623 collection, storage, retention, control, conservation, treatment, supplying, distribution, or
- 1624 reclamation of water, including storm, flood, sewage, irrigation, and culinary water, whether
- 1625 the system is operated on a wholesale or retail level or both;
- 1626 (xiii) in accordance with Subsection (1)(c), the acquisition or assessment of a
- 1627 groundwater right for the development and execution of a groundwater management plan in
- 1628 cooperation with and approved by the state engineer in accordance with Section 73-5-15;
- 1629 (xiv) law enforcement service;
- 1630 (xv) subject to Subsection (1)(b), the underground installation of an electric utility line
- 1631 or the conversion to underground of an existing electric utility line;
- 1632 (xvi) the control or abatement of earth movement or a landslide;
- 1633 (xvii) the operation of animal control services and facilities; or
- 1634 (xviii) an energy efficiency upgrade, a renewable clean energy system, or electric
- 1635 vehicle charging infrastructure as defined in Section 11-42a-102, in accordance with Title 11,
- 1636 Chapter 42a, Commercial Property Assessed Clean Energy Act.
- 1637 (b) Each special district that provides the service of the underground installation of an
- 1638 electric utility line or the conversion to underground of an existing electric utility line shall, in
- 1639 installing or converting the line, provide advance notice to and coordinate with the utility that

1640 owns the line.

1641 (c) A groundwater management plan described in Subsection (1)(a)(xiii) may include  
1642 the banking of groundwater rights by a special district in a critical management area as defined  
1643 in Section 73-5-15 following the adoption of a groundwater management plan by the state  
1644 engineer under Section 73-5-15.

1645 (i) A special district may manage the groundwater rights it acquires under Subsection  
1646 17B-1-103(2)(a) or (b) consistent with the provisions of a groundwater management plan  
1647 described in this Subsection (1)(c).

1648 (ii) A groundwater right held by a special district to satisfy the provisions of a  
1649 groundwater management plan is not subject to the forfeiture provisions of Section 73-1-4.

1650 (iii) (A) A special district may divest itself of a groundwater right subject to a  
1651 determination that the groundwater right is not required to facilitate the groundwater  
1652 management plan described in this Subsection (1)(c).

1653 (B) The groundwater right described in Subsection (1)(c)(iii)(A) is subject to Section  
1654 73-1-4 beginning on the date of divestiture.

1655 (iv) Upon a determination by the state engineer that an area is no longer a critical  
1656 management area as defined in Section 73-5-15, a groundwater right held by the special district  
1657 is subject to Section 73-1-4.

1658 (v) A special district created in accordance with Subsection (1)(a)(xiii) to develop and  
1659 execute a groundwater management plan may hold or acquire a right to surface waters that are  
1660 naturally tributary to the groundwater basin subject to the groundwater management plan if the  
1661 surface waters are appropriated in accordance with Title 73, Water and Irrigation, and used in  
1662 accordance with Title 73, Chapter 3b, Groundwater Recharge and Recovery Act.

1663 (2) As used in this section:

1664 (a) "Operation" means all activities involved in providing the indicated service  
1665 including acquisition and ownership of property reasonably necessary to provide the indicated  
1666 service and acquisition, construction, and maintenance of facilities and equipment reasonably  
1667 necessary to provide the indicated service.

1668 (b) "System" means the aggregate of interrelated components that combine together to  
1669 provide the indicated service including, for a sewage system, collection and treatment.

1670 (3) (a) A special district may not be created to provide and may not after its creation

1671 provide more than four of the services listed in Subsection (1).

1672 (b) Subsection (3)(a) may not be construed to prohibit a special district from providing  
1673 more than four services if, before April 30, 2007, the special district was authorized to provide  
1674 those services.

1675 (4) (a) Except as provided in Subsection (4)(b), a special district may not be created to  
1676 provide and may not after its creation provide to an area the same service that may already be  
1677 provided to that area by another political subdivision, unless the other political subdivision  
1678 gives its written consent.

1679 (b) For purposes of Subsection (4)(a), a special district does not provide the same  
1680 service as another political subdivision if it operates a component of a system that is different  
1681 from a component operated by another political subdivision but within the same:

1682 (i) sewage system; or

1683 (ii) water system.

1684 (5) (a) Except for a special district in the creation of which an election is not required  
1685 under Subsection 17B-1-214(3)(d), the area of a special district may include all or part of the  
1686 unincorporated area of one or more counties and all or part of one or more municipalities.

1687 (b) The area of a special district need not be contiguous.

1688 (6) For a special district created before May 5, 2008, the authority to provide fire  
1689 protection service also includes the authority to provide:

1690 (a) paramedic service; and

1691 (b) emergency service, including hazardous materials response service.

1692 (7) A special district created before May 11, 2010, authorized to provide the  
1693 construction and maintenance of curb, gutter, or sidewalk may provide a service described in  
1694 Subsection (1)(a)(x) on or after May 11, 2010.

1695 (8) A special district created before May 10, 2011, authorized to provide culinary,  
1696 irrigation, sewage, or storm water services may provide a service described in Subsection  
1697 (1)(a)(xii) on or after May 10, 2011.

1698 (9) A special district may not be created under this chapter for two years after the date  
1699 on which a special district is dissolved as provided in Section 17B-1-217 if the special district  
1700 proposed for creation:

1701 (a) provides the same or a substantially similar service as the dissolved special district;

1702 and

1703 (b) is located in substantially the same area as the dissolved special district.

1704 Section 20. Section **17D-1-201** is amended to read:

1705 **17D-1-201. Services that a special service district may be created to provide.**

1706 As provided in this part, a county or municipality may create a special service district to  
1707 provide any combination of the following services:

1708 (1) water;

1709 (2) sewerage;

1710 (3) drainage;

1711 (4) flood control;

1712 (5) garbage collection and disposal;

1713 (6) health care;

1714 (7) transportation, including the receipt of federal secure rural school funds under

1715 Section [51-9-603](#) for the purposes of constructing, improving, repairing, or maintaining public  
1716 roads;

1717 (8) recreation;

1718 (9) fire protection, including:

1719 (a) emergency medical services, ambulance services, and search and rescue services, if  
1720 fire protection service is also provided;

1721 (b) Firewise Communities programs and the development of community wildfire  
1722 protection plans; and

1723 (c) the receipt of federal secure rural school funds as provided under Section [51-9-603](#)  
1724 for the purposes of carrying out Firewise Communities programs, developing community  
1725 wildfire protection plans, and performing emergency services, including firefighting on federal  
1726 land and other services authorized under this Subsection (9);

1727 (10) providing, operating, and maintaining correctional and rehabilitative facilities and  
1728 programs for municipal, state, and other detainees and prisoners;

1729 (11) street lighting;

1730 (12) consolidated 911 and emergency dispatch;

1731 (13) animal shelter and control;

1732 (14) receiving federal mineral lease funds under Title 59, Chapter 21, Mineral Lease

1733 Funds, and expending those funds to be used in accordance with state and federal law;  
1734 (15) in a county of the first class, extended police protection;  
1735 (16) control or abatement of earth movement or a landslide;  
1736 (17) an energy efficiency upgrade, a [renewable] clean energy system, or electric  
1737 vehicle charging infrastructure as defined in Section 11-42a-102, in accordance with Title 11,  
1738 Chapter 42a, Commercial Property Assessed Clean Energy Act; or  
1739 (18) cemetery.

1740 Section 21. Section 54-17-502 is amended to read:

1741 **54-17-502. Clean energy source -- Solicitation -- Consultant.**

1742 (1) Sections 54-17-102 through 54-17-404 do not apply to a significant energy resource  
1743 that is a [renewable] clean energy source as defined in Section 54-17-601 if the nameplate  
1744 capacity of the [renewable] clean energy source does not exceed 300 megawatts or, if  
1745 applicable, the quantity of capacity that is the subject of a contract for the purchase of  
1746 electricity from a [renewable] clean energy source does not exceed 300 megawatts.

1747 (2) (a) (i) An affected electrical utility shall issue a public solicitation of bids for a  
1748 [renewable] clean energy source up to 300 megawatts in size by January 31 of each year in  
1749 which it reasonably anticipates that it will need to acquire or commence construction of a  
1750 [renewable] clean energy resource.

1751 (ii) A solicitation for a [renewable] clean energy source issued by January 31, 2008 for  
1752 up to 99 megawatts satisfies the requirement of this Subsection (2) for the year 2008 if:

1753 (A) not later than 30 days after the day on which this section takes effect, the affected  
1754 electrical utility amends the solicitation or initiates a new solicitation to seek bids for  
1755 [renewable] clean energy source projects up to 300 megawatts in size; and

1756 (B) within 60 days after the day on which this section takes effect and as soon as  
1757 practicable, the commission retains a consultant in accordance with Subsection (3).

1758 (b) A consultant hired under Subsection (2)(a)(ii)(B) shall perform the consultant's  
1759 duties under Subsection (3) in relation to the status of the solicitation process at the time the  
1760 consultant is retained and may not unreasonably delay the solicitation process.

1761 (c) For a solicitation issued after January 31, 2008:

1762 (i) the affected electrical utility shall develop a reasonable process for pre-approval of  
1763 bidders; and

1764 (ii) in addition to publicly issuing the solicitation in Subsection (2)(a)(i), the affected  
1765 electrical utility shall send copies of the solicitation to each potential bidder who is  
1766 pre-approved.

1767 (d) The affected electrical utility shall evaluate in good faith each bid that is received  
1768 and negotiate in good faith with each bidder whose bid appears to be cost effective, as defined  
1769 in Section 54-17-602.

1770 (e) Beginning on August 1, 2008, and on each August 1 thereafter, the affected  
1771 electrical utility shall file a notice with the commission indicating whether it reasonably  
1772 anticipates that it will need to acquire or commence construction of a [renewable] clean energy  
1773 resource during the following year.

1774 (3) (a) If the commission receives a notice under Subsection (2)(e) that the affected  
1775 electrical utility reasonably anticipates that it will need to acquire or commence construction of  
1776 a [renewable] clean energy source during the following year, the commission shall promptly  
1777 retain a consultant to:

1778 (i) validate that the affected electrical utility is following the bidder pre-approval  
1779 process developed pursuant to Subsection (2)(c) and make recommendations for changes to the  
1780 pre-approval process for future solicitations;

1781 (ii) monitor and document all material aspects of the bids, bid evaluations, and bid  
1782 negotiations between the affected electrical utility and any bidders in the solicitation process;

1783 (iii) maintain adequate documentation of each bid, including the solicitation,  
1784 evaluation, and negotiation processes and the reason for the conclusion of negotiations, which  
1785 documentation shall be transmitted to the commission at the conclusion of all negotiations in  
1786 the solicitation; and

1787 (iv) be available to testify under oath before the commission in any relevant proceeding  
1788 concerning all aspects of the public solicitation process.

1789 (b) The commission and the consultant shall use all reasonable efforts to not delay the  
1790 solicitation process.

1791 (4) Documentation provided to the commission by the consultant shall be available to  
1792 the affected electrical utility, any bidder, or other interested person under terms and conditions  
1793 and at times determined appropriate by the commission.

1794 (5) (a) The commission and the consultant shall execute a contract approved by the

1795 commission with terms and conditions approved by the commission.

1796 (b) Unless otherwise provided by contract, an invoice for the consultant's services shall  
1797 be sent to the Division of Public Utilities for review and approval.

1798 (c) After approval under Subsection (5)(b), the invoice shall be forwarded to the  
1799 affected electrical utility for payment to the consultant.

1800 (d) The affected electrical utility may, in a general rate case or other appropriate  
1801 commission proceeding, include, and the commission shall allow, recovery by the affected  
1802 electrical utility of any amount paid by the affected electrical utility for the consultant.

1803 (6) (a) Nothing in this section precludes an affected electrical utility from constructing  
1804 or acquiring any [renewable] clean energy source project outside the solicitation process  
1805 provided for in this section, including purchasing electricity from any [renewable] clean energy  
1806 source project that chooses to self-certify as a qualifying facility under the federal Public Utility  
1807 Regulatory Policies Act of 1978.

1808 (b) An affected electrical utility that constructs a [renewable] clean energy source  
1809 outside the solicitation process of this section or Section 54-17-201 shall file a notice with the  
1810 commission at least 60 days before the date of commencement of construction, indicating the  
1811 size and location of the [renewable] clean energy source.

1812 (c) The date of commencement of construction under Subsection (6)(b) is the date of  
1813 any directive from an affected electrical utility to the person responsible for the construction of  
1814 the [renewable] clean energy source authorizing or directing the person to proceed with  
1815 construction.

1816 (d) For an affected electrical utility whose rates are regulated by the commission, the  
1817 utility has the burden of proving in a rate case or other appropriate commission proceeding the  
1818 prudence, reasonableness, and cost-effectiveness of construction under this Subsection (6),  
1819 including the method used to evaluate the risks and value of any bid submitted in the  
1820 solicitation under this section.

1821 (7) Nothing in this section requires an affected electrical utility to enter into any  
1822 transaction that it reasonably believes is not cost effective or otherwise is not in the public  
1823 interest.

1824 Section 22. Section 54-17-601 is amended to read:

1825 **54-17-601. Definitions.**

1826 As used in this part:

1827 (1) "Adjusted retail electric sales" means the total kilowatt-hours of retail electric sales  
1828 of an electrical corporation to customers in this state in a calendar year, reduced by:

1829 (a) the amount of those kilowatt-hours attributable to electricity generated or purchased  
1830 in that calendar year from qualifying zero carbon emissions generation and qualifying carbon  
1831 sequestration generation;

1832 (b) the amount of those kilowatt-hours attributable to electricity generated or purchased  
1833 in that calendar year from generation located within the geographic boundary of the Western  
1834 Electricity Coordinating Council that derives its energy from one or more of the following but  
1835 that does not satisfy the definition of a [renewable] clean energy source or that otherwise has  
1836 not been used to satisfy Subsection 54-17-602(1):

1837 (i) wind energy;

1838 (ii) solar photovoltaic and solar thermal energy;

1839 (iii) wave, tidal, and ocean thermal energy;

1840 (iv) except for combustion of wood that has been treated with chemical preservatives  
1841 such as creosote, pentachlorophenol or chromated copper arsenate, biomass and biomass  
1842 byproducts, including:

1843 (A) organic waste;

1844 (B) forest or rangeland woody debris from harvesting or thinning conducted to improve  
1845 forest or rangeland ecological health and to reduce wildfire risk;

1846 (C) agricultural residues;

1847 (D) dedicated energy crops; and

1848 (E) landfill gas or biogas produced from organic matter, wastewater, anaerobic  
1849 digesters, or municipal solid waste;

1850 (v) geothermal energy;

1851 (vi) hydroelectric energy; or

1852 (vii) waste gas and waste heat capture or recovery; and

1853 (c) the number of kilowatt-hours attributable to reductions in retail sales in that  
1854 calendar year from demand side management as defined in Section 54-7-12.8, with the  
1855 kilowatt-hours for an electrical corporation whose rates are regulated by the commission and  
1856 adjusted by the commission to exclude kilowatt-hours for which a renewable energy certificate

1857 is issued under Subsection [54-17-603\(4\)\(b\)](#).

1858           (2) "Amount of kilowatt-hours attributable to electricity generated or purchased in that  
1859 calendar year from qualifying carbon sequestration generation," for qualifying carbon  
1860 sequestration generation, means the kilowatt-hours supplied by a facility during the calendar  
1861 year multiplied by the ratio of the amount of carbon dioxide captured from the facility and  
1862 sequestered to the sum of the amount of carbon dioxide captured from the facility and  
1863 sequestered plus the amount of carbon dioxide emitted from the facility during the same  
1864 calendar year.

1865           (3) "Banked renewable energy certificate" means a bundled or unbundled renewable  
1866 energy certificate that is:

1867           (a) not used in a calendar year to comply with this part or with a renewable energy  
1868 program in another state; and

1869           (b) carried forward into a subsequent year.

1870           (4) "Bundled renewable energy certificate" means a renewable energy certificate for  
1871 qualifying electricity that is acquired:

1872           (a) by an electrical corporation by a trade, purchase, or other transfer of electricity that  
1873 includes the renewable energy attributes of, or certificate that is issued for, the electricity; or

1874           (b) by an electrical corporation by generating the electricity for which the renewable  
1875 energy certificate is issued.

1876           (5) "Clean energy source" means:

1877           (a) an electric generation facility or generation capability or upgrade that becomes  
1878 operational on or after January 1, 1995, that derives its energy from one or more of the  
1879 following:

1880           (i) wind energy;

1881           (ii) solar photovoltaic and solar thermal energy;

1882           (iii) wave, tidal, and ocean thermal energy;

1883           (iv) except for combustion of wood that has been treated with chemical preservatives  
1884 such as creosote, pentachlorophenol or chromated copper arsenate, biomass and biomass

1885 byproducts, including:

1886           (A) organic waste;

1887           (B) forest or rangeland woody debris from harvesting or thinning conducted to improve

1888 forest or rangeland ecological health and to reduce wildfire risk;  
1889 (C) agricultural residues;  
1890 (D) dedicated energy crops; and  
1891 (E) landfill gas or biogas produced from organic matter, wastewater, anaerobic  
1892 digesters, or municipal solid waste;  
1893 (v) geothermal energy located outside the state;  
1894 (vi) waste gas and waste heat capture or recovery, including methane gas from:  
1895 (A) an abandoned coal mine; or  
1896 (B) a coal degassing operation associated with a state-approved mine permit;  
1897 (vii) efficiency upgrades to a hydroelectric facility, without regard to the date upon  
1898 which the facility became operational, if the upgrades become operational on or after January  
1899 1, 1995;  
1900 (viii) compressed air, if:  
1901 (A) the compressed air is taken from compressed air energy storage; and  
1902 (B) the energy used to compress the air is a clean energy source;  
1903 (ix) municipal solid waste; or  
1904 (x) energy derived from nuclear fuel;  
1905 (b) any of the following:  
1906 (i) up to 50 average megawatts of electricity per year per electrical corporation from a  
1907 certified low-impact hydroelectric facility, without regard to the date upon which the facility  
1908 becomes operational, if the facility is certified as a low-impact hydroelectric facility on or after  
1909 January 1, 1995, by a national certification organization;  
1910 (ii) geothermal energy if located within the state, without regard to the date upon which  
1911 the facility becomes operational; or  
1912 (iii) hydroelectric energy if located within the state, without regard to the date upon  
1913 which the facility becomes operational;  
1914 (c) hydrogen gas derived from any source of energy described in Subsection (5)(a) or  
1915 (b);  
1916 (d) if an electric generation facility employs multiple energy sources, that portion of the  
1917 electricity generated that is attributable to energy sources described in Subsections (5)(a)  
1918 through (c); and

- 1919 (e) any of the following located in the state and owned by a user of energy:
- 1920 (i) a demand side management measure, as defined by Subsection 54-7-12.8(1), with
- 1921 the quantity of renewable energy certificates to which the user is entitled determined by the
- 1922 equivalent energy saved by the measure;
- 1923 (ii) a solar thermal system that reduces the consumption of fossil fuels, with the
- 1924 quantity of renewable energy certificates to which the user is entitled determined by the
- 1925 equivalent kilowatt-hours saved, except to the extent the commission determines otherwise
- 1926 with respect to net-metered energy;
- 1927 (iii) a solar photovoltaic system that reduces the consumption of fossil fuels with the
- 1928 quantity of renewable energy certificates to which the user is entitled determined by the total
- 1929 production of the system, except to the extent the commission determines otherwise with
- 1930 respect to net-metered energy;
- 1931 (iv) a hydroelectric or geothermal facility with the quantity of renewable energy
- 1932 certificates to which the user is entitled determined by the total production of the facility,
- 1933 except to the extent the commission determines otherwise with respect to net-metered energy;
- 1934 (v) a waste gas or waste heat capture or recovery system, other than from a combined
- 1935 cycle combustion turbine that does not use waste gas or waste heat, with the quantity of
- 1936 renewable energy certificates to which the user is entitled determined by the total production of
- 1937 the system, except to the extent the commission determines otherwise with respect to
- 1938 net-metered energy; and
- 1939 (vi) the station use of solar thermal energy, solar photovoltaic energy, hydroelectric
- 1940 energy, geothermal energy, waste gas, or waste heat capture and recovery.
- 1941 [~~(5)~~] (6) "Electrical corporation":
- 1942 (a) is as defined in Section 54-2-1; and
- 1943 (b) does not include a person generating electricity that is not for sale to the public.
- 1944 [~~(6)~~] (7) "Qualifying carbon sequestration generation" means a fossil-fueled generating
- 1945 facility located within the geographic boundary of the Western Electricity Coordinating
- 1946 Council that:
- 1947 (a) becomes operational or is retrofitted on or after January 1, 2008; and
- 1948 (b) reduces carbon dioxide emissions into the atmosphere through permanent
- 1949 geological sequestration or through another verifiably permanent reduction in carbon dioxide

1950 emissions through the use of technology.

1951 ~~[(7)]~~ (8) "Qualifying electricity" means electricity generated on or after January 1,  
1952 1995, from a ~~[renewable]~~ clean energy source if:

1953 (a) (i) the renewable energy source is located within the geographic boundary of the  
1954 Western Electricity Coordinating Council; or

1955 (ii) the qualifying electricity is delivered to the transmission system of an electrical  
1956 corporation or a delivery point designated by the electrical corporation for the purpose of  
1957 subsequent delivery to the electrical corporation; and

1958 (b) the renewable energy attributes of the electricity are not traded, sold, transferred, or  
1959 otherwise used to satisfy another state's renewable energy program.

1960 ~~[(8)]~~ (9) "Qualifying zero carbon emissions generation":

1961 (a) means a generation facility located within the geographic boundary of the Western  
1962 Electricity Coordinating Council that:

1963 (i) becomes operational on or after January 1, 2008; and

1964 (ii) does not produce carbon as a byproduct of the generation process;

1965 (b) includes generation powered by nuclear fuel; and

1966 (c) does not include renewable energy sources used to satisfy the requirement  
1967 established under Subsection [54-17-602\(1\)](#).

1968 ~~[(9)]~~ (10) "Renewable energy certificate" means a certificate issued under Section  
1969 [54-17-603](#).

1970 ~~[(10) "Renewable energy source" means:]~~

1971 ~~[(a) an electric generation facility or generation capability or upgrade that becomes~~  
1972 ~~operational on or after January 1, 1995 that derives its energy from one or more of the~~  
1973 ~~following:]~~

1974 ~~[(i) wind energy;]~~

1975 ~~[(ii) solar photovoltaic and solar thermal energy;]~~

1976 ~~[(iii) wave, tidal, and ocean thermal energy;]~~

1977 ~~[(iv) except for combustion of wood that has been treated with chemical preservatives~~  
1978 ~~such as creosote, pentachlorophenol or chromated copper arsenate, biomass and biomass~~  
1979 ~~byproducts, including:]~~

1980 ~~[(A) organic waste;]~~

1981 ~~[(B) forest or rangeland woody debris from harvesting or thinning conducted to~~  
1982 ~~improve forest or rangeland ecological health and to reduce wildfire risk;]~~  
1983 ~~[(C) agricultural residues;]~~  
1984 ~~[(D) dedicated energy crops; and]~~  
1985 ~~[(E) landfill gas or biogas produced from organic matter, wastewater, anaerobic~~  
1986 ~~digesters, or municipal solid waste;]~~  
1987 ~~[(v) geothermal energy located outside the state;]~~  
1988 ~~[(vi) waste gas and waste heat capture or recovery whether or not it is renewable,~~  
1989 ~~including methane gas from:]~~  
1990 ~~[(A) an abandoned coal mine; or]~~  
1991 ~~[(B) a coal degassing operation associated with a state-approved mine permit;]~~  
1992 ~~[(vii) efficiency upgrades to a hydroelectric facility, without regard to the date upon~~  
1993 ~~which the facility became operational, if the upgrades become operational on or after January~~  
1994 ~~1, 1995;]~~  
1995 ~~[(viii) compressed air, if:]~~  
1996 ~~[(A) the compressed air is taken from compressed air energy storage; and]~~  
1997 ~~[(B) the energy used to compress the air is a renewable energy source; or]~~  
1998 ~~[(ix) municipal solid waste;]~~  
1999 ~~[(b) any of the following:]~~  
2000 ~~[(i) up to 50 average megawatts of electricity per year per electrical corporation from a~~  
2001 ~~certified low-impact hydroelectric facility, without regard to the date upon which the facility~~  
2002 ~~becomes operational, if the facility is certified as a low-impact hydroelectric facility on or after~~  
2003 ~~January 1, 1995, by a national certification organization;]~~  
2004 ~~[(ii) geothermal energy if located within the state, without regard to the date upon~~  
2005 ~~which the facility becomes operational; or]~~  
2006 ~~[(iii) hydroelectric energy if located within the state, without regard to the date upon~~  
2007 ~~which the facility becomes operational;]~~  
2008 ~~[(c) hydrogen gas derived from any source of energy described in Subsection (10)(a) or~~  
2009 ~~(b);]~~  
2010 ~~[(d) if an electric generation facility employs multiple energy sources, that portion of~~  
2011 ~~the electricity generated that is attributable to energy sources described in Subsections (10)(a)~~

2012 through (c); and]

2013 [~~(e) any of the following located in the state and owned by a user of energy:~~]

2014 [~~(i) a demand side management measure, as defined by Subsection 54-7-12.8(1), with~~  
2015 ~~the quantity of renewable energy certificates to which the user is entitled determined by the~~  
2016 ~~equivalent energy saved by the measure;~~]

2017 [~~(ii) a solar thermal system that reduces the consumption of fossil fuels, with the~~  
2018 ~~quantity of renewable energy certificates to which the user is entitled determined by the~~  
2019 ~~equivalent kilowatt-hours saved, except to the extent the commission determines otherwise~~  
2020 ~~with respect to net-metered energy;~~]

2021 [~~(iii) a solar photovoltaic system that reduces the consumption of fossil fuels with the~~  
2022 ~~quantity of renewable energy certificates to which the user is entitled determined by the total~~  
2023 ~~production of the system, except to the extent the commission determines otherwise with~~  
2024 ~~respect to net-metered energy;~~]

2025 [~~(iv) a hydroelectric or geothermal facility with the quantity of renewable energy~~  
2026 ~~certificates to which the user is entitled determined by the total production of the facility,~~  
2027 ~~except to the extent the commission determines otherwise with respect to net-metered energy;~~]

2028 [~~(v) a waste gas or waste heat capture or recovery system, other than from a combined~~  
2029 ~~cycle combustion turbine that does not use waste gas or waste heat, with the quantity of~~  
2030 ~~renewable energy certificates to which the user is entitled determined by the total production of~~  
2031 ~~the system, except to the extent the commission determines otherwise with respect to~~  
2032 ~~net-metered energy; and]~~

2033 [~~(vi) the station use of solar thermal energy, solar photovoltaic energy, hydroelectric~~  
2034 ~~energy, geothermal energy, waste gas, or waste heat capture and recovery.]~~

2035 (11) "Unbundled renewable energy certificate" means a renewable energy certificate  
2036 associated with:

2037 (a) qualifying electricity that is acquired by an electrical corporation or other person by  
2038 trade, purchase, or other transfer without acquiring the electricity for which the certificate was  
2039 issued; or

2040 (b) activities listed in Subsection ~~[(+0)(e)]~~ (5)(e).

2041 Section 23. Section 54-17-602 is amended to read:

2042 **54-17-602. Target amount of qualifying electricity -- Renewable energy certificate**

2043 -- **Cost-effectiveness -- Cooperatives.**

2044 (1) (a) To the extent that it is cost effective to do so, beginning in 2025 the annual retail  
2045 electric sales in this state of each electrical corporation shall consist of qualifying electricity or  
2046 renewable energy certificates in an amount equal to at least 20% of adjusted retail electric  
2047 sales.

2048 (b) The amount under Subsection (1)(a) is computed based upon adjusted retail electric  
2049 sales for the calendar year commencing 36 months before the first day of the year for which the  
2050 target calculated under Subsection (1)(a) applies.

2051 (c) Notwithstanding Subsections (1)(a) and (b), an increase in the annual target from  
2052 one year to the next may not exceed the greater of:

2053 (i) 17,500 megawatt-hours; or

2054 (ii) 20% of the prior year's amount under Subsections (1)(a) and (b).

2055 (2) (a) Cost-effectiveness under Subsection (1) for other than a cooperative association  
2056 is determined in comparison to other viable resource options using the criteria provided by  
2057 Subsection [54-17-201\(2\)\(c\)\(ii\)](#).

2058 (b) For an electrical corporation that is a cooperative association, cost-effectiveness is  
2059 determined using criteria applicable to the cooperative association's acquisition of a significant  
2060 energy resource established by the cooperative association's board of directors.

2061 (3) This section does not require an electrical corporation to:

2062 (a) substitute qualifying electricity for electricity from a generation source owned or  
2063 contractually committed, or from a contractual commitment for a power purchase;

2064 (b) enter into any additional electric sales commitment or any other arrangement for the  
2065 sale or other disposition of electricity that is not already, or would not be, entered into by the  
2066 electrical corporation; or

2067 (c) acquire qualifying electricity in excess of its adjusted retail electric sales.

2068 (4) For the purpose of Subsection (1), an electrical corporation may combine the  
2069 following:

2070 (a) qualifying electricity from a renewable energy source owned by the electrical  
2071 corporation;

2072 (b) qualifying electricity acquired by the electrical corporation through trade, power  
2073 purchase, or other transfer; and

2074 (c) a bundled or unbundled renewable energy certificate, including a banked renewable  
2075 energy certificate.

2076 (5) For an electrical corporation whose rates the commission regulates, the following  
2077 rules concerning renewable energy certificates apply:

2078 (a) a banked renewable energy certificate with an older issuance date shall be used  
2079 before any other banked renewable energy certificate issued at a later date is used; and

2080 (b) the total of all unbundled renewable energy certificates, including unbundled  
2081 banked renewable energy certificates, may not exceed 20% of the amount of the annual target  
2082 provided for in Subsection (1).

2083 (6) An electrical corporation that is a cooperative association may count towards  
2084 Subsection (1) any of the following:

2085 (a) electric production allocated to this state from hydroelectric facilities becoming  
2086 operational after December 31, 2007, if the facilities are located in any state in which the  
2087 cooperative association, or a generation and transmission cooperative with which the  
2088 cooperative association has a contract, provides electric service;

2089 (b) qualifying electricity generated or acquired or renewable energy certificates  
2090 acquired for a program that permits a retail customer to voluntarily contribute to a [renewable]  
2091 clean energy source; and

2092 (c) notwithstanding Subsection 54-17-601(7), an unbundled renewable energy  
2093 certificate purchased from a renewable energy source located outside the geographic boundary  
2094 of the Western Electricity Coordinating Council if the electricity on which the unbundled  
2095 renewable energy certificate is based would be considered qualifying electricity if the  
2096 renewable energy source was located within the geographic boundary of the Western  
2097 Electricity Coordinating Council.

2098 (7) The use of the renewable attributes associated with qualifying electricity to satisfy  
2099 any federal renewable energy requirement does not preclude the electricity from being  
2100 qualifying electricity for the purpose of this chapter.

2101 Section 24. Section **54-17-604** is amended to read:

2102 **54-17-604. Plans and reports.**

2103 (1) An electrical corporation shall develop and maintain a plan for implementing  
2104 Subsection 54-17-602(1), consistent with the cost-effectiveness criteria of Subsection

2105 54-17-201(2)(c)(ii).

2106 (2) (a) A progress report concerning a plan under Subsection (1) for other than a  
2107 cooperative association shall be filed with the commission by January 1 of each of the years  
2108 2010, 2015, 2020, and 2024.

2109 (b) For an electrical corporation that is a cooperative association, a progress report  
2110 shall be filed with the cooperative association's board of directors by January 1 of each of the  
2111 years 2010, 2015, 2020, and 2024.

2112 (3) The progress report under Subsection (2) shall contain:

2113 (a) the actual and projected amount of qualifying electricity through 2025;

2114 (b) the source of qualifying electricity;

2115 (c) (i) an analysis of the cost-effectiveness of [renewable] clean energy sources for  
2116 other than a cooperative association; or

2117 (ii) an estimate of the cost of achieving the target for an electrical corporation that is a  
2118 cooperative association;

2119 (d) a discussion of conditions impacting the [renewable] clean energy source and  
2120 qualifying electricity markets;

2121 (e) any recommendation for a suggested legislative or program change; and

2122 (f) for other than a cooperative association, any other information requested by the  
2123 commission or considered relevant by the electrical corporation.

2124 (4) The plan and progress report required by Subsections (1) and (2) may include  
2125 procedures that will be used by the electrical corporation to identify and select any [renewable]  
2126 clean energy resource and qualifying electricity that satisfy the criteria of Subsection

2127 54-17-201(2)(c)(ii).

2128 (5) By July 1, 2026, each electrical corporation shall file a final progress report  
2129 demonstrating:

2130 (a) how Subsection 54-17-602(1) is satisfied for the year 2025; or

2131 (b) the reason why Subsection 54-17-602(1) is not satisfied for the year 2025, if it is  
2132 not satisfied.

2133 (6) By January 1 of each of the years 2011, 2016, 2021, and 2025, the Division of  
2134 Public Utilities shall submit to the Legislature a report containing a summary of any progress  
2135 report filed under Subsections (2) through (5).

2136 (7) The summary required by Subsection (6) shall include any recommendation for  
2137 legislative changes.

2138 (8) (a) By July 1, 2027, the commission shall submit to the Legislature a report  
2139 summarizing the final progress reports and recommending any legislative changes.

2140 (b) The 2027 summary may contain a recommendation to the Legislature concerning  
2141 any action to be taken with respect to an electrical corporation that does not satisfy Subsection  
2142 [54-17-602\(1\)](#) for 2025.

2143 (c) The commission shall provide an opportunity for public comment and take  
2144 evidence before recommending any action to be taken with respect to an electrical corporation  
2145 that does not satisfy Subsection [54-17-602\(1\)](#) for 2025.

2146 (9) If a recommendation containing a penalty for failure to satisfy Subsection  
2147 [54-17-602\(1\)](#) is made under Subsection (8), the proposal shall require that any amount paid by  
2148 an electrical corporation as a penalty be utilized to fund demand-side management for the retail  
2149 customers of the electrical corporation paying the penalty.

2150 (10) A penalty may not be proposed under this section if an electrical corporation's  
2151 failure to satisfy Subsection [54-17-602\(1\)](#) is due to:

- 2152 (a) a lack of cost-effective means to satisfy the requirement; or
- 2153 (b) force majeure.

2154 (11) By July 1, 2026, an electrical corporation that is a cooperative association shall  
2155 file a final progress report demonstrating:

- 2156 (a) how Subsection [54-17-602\(1\)](#) is satisfied for the year 2025; or
- 2157 (b) the reason why Subsection [54-17-602\(1\)](#) is not satisfied for the year 2025 if it is not  
2158 satisfied.

2159 (12) The plan and any progress report file under this section by an electrical  
2160 corporation that is cooperative association shall be publicly available at the cooperative  
2161 association's office or posted on the cooperative association's website.

2162 Section 25. Section **54-17-605** is amended to read:

2163 **54-17-605. Recovery of costs for clean energy activities.**

2164 (1) In accordance with other law, the commission shall include in the retail electric  
2165 rates of an electrical corporation whose rates the commission regulates the state's share of any  
2166 of the costs listed in Subsection (2) that are relevant to the proceeding in which the commission

2167 is considering the electrical corporation's rates:

2168 (a) if the costs are prudently incurred by the electrical corporation in connection with:

2169 (i) the acquisition of a renewable energy certificate;

2170 (ii) the acquisition of qualifying electricity for which a renewable energy certificate

2171 will be issued after the acquisition; and

2172 (iii) the acquisition, construction, and use of a [renewable] clean energy source; and

2173 (b) to the extent any qualifying electricity or [renewable] clean energy source under

2174 Subsection (1)(a) satisfies the cost-effectiveness criteria of Subsection 54-17-201(2)(c)(ii).

2175 (2) The following are costs that may be recoverable under Subsection (1):

2176 (a) a cost of siting, acquisition of property rights, equipment, design, licensing,  
2177 permitting, construction, owning, operating, or otherwise acquiring a [renewable] clean energy  
2178 source and any associated asset, including transmission;

2179 (b) a cost to acquire qualifying electricity through trade, power purchase, or other  
2180 transfer;

2181 (c) a cost to acquire a bundled or unbundled renewable energy certificate, if any net  
2182 revenue from the sale of a renewable energy certificate allocable to this state is also included in  
2183 rates;

2184 (d) a cost to interconnect a [renewable] clean energy source to the electrical  
2185 corporation's transmission and distribution system;

2186 (e) a cost associated with using a physical or financial asset to integrate, firm, or shape  
2187 a [renewable] clean energy source on a firm annual basis to meet a retail electricity need; and

2188 (f) any cost associated with transmission and delivery of qualifying electricity to a  
2189 retail electricity consumer.

2190 (3) (a) The commission may allow an electrical corporation to use an adjustment  
2191 mechanism or reasonable method other than a rate case under Sections 54-4-4 and 54-7-12 to  
2192 allow recovery of costs identified in Subsection (2).

2193 (b) If the commission allows the use of an adjustment mechanism, both the costs and  
2194 any associated benefit shall be reflected in the mechanism, to the extent practicable.

2195 (c) This Subsection (3) creates no presumption for or against the use of an adjustment  
2196 mechanism.

2197 (4) (a) The commission may permit an electrical corporation to include in its retail

2198 electric rates the state's share of costs prudently incurred by the electrical corporation in  
2199 connection with a [renewable] clean energy source, whether or not the [renewable] clean  
2200 energy source ultimately becomes operational, including costs of:

- 2201 (i) siting;
- 2202 (ii) property acquisition;
- 2203 (iii) equipment;
- 2204 (iv) design;
- 2205 (v) licensing;
- 2206 (vi) permitting; and
- 2207 (vii) other reasonable items related to the [renewable] clean energy source.

2208 (b) Subsection (4)(a) creates no presumption concerning the prudence or recoverability  
2209 of the costs identified.

2210 (c) To the extent deferral is consistent with other applicable law, the commission may  
2211 allow an electrical corporation to defer costs recoverable under Subsection (4)(a) until the  
2212 recovery of the deferred costs can be considered in a rate proceeding or an adjustment  
2213 mechanism created under Subsection (3).

2214 (d) An application to defer costs shall be filed within 60 days after the day on which  
2215 the electrical corporation determines that the [renewable] clean energy source project is  
2216 impaired under generally accepted accounting principles and will not become operational.

2217 (e) Notwithstanding the opportunity to defer costs under Subsection (4)(c), a cost  
2218 incurred by an electrical corporation for siting, property acquisition, equipment, design,  
2219 licensing, and permitting of a [renewable] clean energy source that the electrical corporation  
2220 proposes to construct shall be included in the electrical corporation's project costs for the  
2221 purpose of evaluating the project's cost-effectiveness.

2222 (f) A deferred cost under Subsection (4)(a) may not be added to, or otherwise  
2223 considered in the evaluation of, the cost of a project proposed by any person other than the  
2224 electrical corporation for the purpose of evaluating that person's proposal.

2225 Section 26. Section **54-17-801** is amended to read:

2226 **54-17-801. Definitions.**

2227 As used in this part:

- 2228 (1) "Clean energy contract" means a contract under this part for the delivery of

2229 electricity from one or more clean energy facilities to a contract customer requiring the use of a  
2230 qualified utility's transmission or distribution system to deliver the electricity from a clean  
2231 energy facility to the contract customer.

2232 (2) (a) "Clean energy facility" means a clean energy source as defined in Section  
2233 54-17-601 that:

2234 (i) is located in the state; or

2235 (ii) (A) is located outside the state; and

2236 (B) provides energy from baseload clean resources.

2237 (b) "Clean energy facility" does not include an electric generating facility for which the  
2238 electric generating facility's costs are included in a qualified utility's rates as a facility that  
2239 provides electric service to the qualified utility's system.

2240 (3) "Clean energy tariff" means a tariff offered by a qualified utility that allows the  
2241 qualified utility to procure clean generation on behalf of and to serve its customers.

2242 (4) "Contract customer" means a person who executes or will execute a [renewable]  
2243 clean energy contract with a qualified utility.

2244 ~~[(2)] (5) "Qualified utility" means an electric corporation that serves more than 200,000~~  
2245 ~~retail customers in the state.~~

2246 ~~[(3) "Renewable energy contract" means a contract under this part for the delivery of~~  
2247 ~~electricity from one or more renewable energy facilities to a contract customer requiring the use~~  
2248 ~~of a qualified utility's transmission or distribution system to deliver the electricity from a~~  
2249 ~~renewable energy facility to the contract customer.]~~

2250 ~~[(4) (a) "Renewable energy facility" means a renewable energy source as defined in~~  
2251 ~~Section 54-17-601 that:]~~

2252 ~~[(i) is located in the state; or]~~

2253 ~~[(ii) (A) is located outside the state; and]~~

2254 ~~[(B) provides energy from baseload renewable resources:]~~

2255 ~~[(b) "Renewable energy facility" does not include an electric generating facility for~~  
2256 ~~which the electric generating facility's costs are included in a qualified utility's rates as a facility~~  
2257 ~~that provides electric service to the qualified utility's system:]~~

2258 ~~[(5) "Renewable energy tariff" means a tariff offered by a qualified utility that allows~~  
2259 ~~the qualified utility to procure renewable generation on behalf of and to serve its customers:]~~

2260 Section 27. Section **54-17-802** is amended to read:

2261 **54-17-802. Contracts for the purchase of electricity from a clean energy facility.**

2262 (1) Within a reasonable time after receiving a request from a contract customer and  
2263 subject to reasonable credit requirements, a qualified utility shall enter into a [renewable] clean  
2264 energy contract with the requesting contract customer to supply some or all of the contract  
2265 customer's electric service from one or more [renewable] clean energy facilities selected by the  
2266 contract customer.

2267 (2) Subject to a contract customer agreeing to pay the qualified utility for all  
2268 incremental costs associated with metering facilities, communication facilities, and  
2269 administration, a [renewable] clean energy contract may provide for electricity to be delivered  
2270 to a contract customer:

2271 (a) from one [renewable] clean energy facility to a contract customer's single metered  
2272 delivery location;

2273 (b) from multiple [renewable] clean energy facilities to a contract customer's single  
2274 metered delivery location; or

2275 (c) from one or more [renewable] clean energy facilities to a single contract customer's  
2276 multiple metered delivery locations.

2277 (3) (a) A single contract customer may aggregate multiple metered delivery locations to  
2278 satisfy the minimum megawatt limit under Subsection (4).

2279 (b) Multiple contract customers may not aggregate their separate metered delivery  
2280 locations to satisfy the minimum megawatt limit under Subsection (4).

2281 (4) The amount of electricity provided to a contract customer under a [renewable] clean  
2282 energy contract may not be less than 2.0 megawatts.

2283 (5) The amount of electricity provided in any hour to a contract customer under a  
2284 [renewable] clean energy contract may not exceed the contract customer's metered  
2285 kilowatt-hour load in that hour at the metered delivery locations under the contract.

2286 (6) A [renewable] clean energy contract that meets the requirements of Subsection (4)  
2287 may provide for one or more increases in the amount of electricity to be provided under the  
2288 contract even though the amount of electricity to be provided by the increase is less than the  
2289 minimum amount required under Subsection (4).

2290 (7) The total amount of electricity to be generated by [renewable] clean energy

2291 facilities and delivered to contract customers at any one time under all [renewable] clean  
2292 energy contracts may not exceed 300 megawatts, unless the commission approves in advance a  
2293 higher amount.

2294 (8) Electricity generated by a [renewable] clean energy facility and delivered to a  
2295 contract customer under a [renewable] clean energy contract may not be included in a net  
2296 metering program under Chapter 15, Net Metering of Electricity.

2297 Section 28. Section **54-17-803** is amended to read:

2298 **54-17-803. Ownership of a clean energy facility -- Joint ownership -- Ownership**  
2299 **of environmental attributes.**

2300 (1) A [renewable] clean energy facility may be owned:

2301 (a) by a person who will be a contract customer receiving electricity from the  
2302 [renewable] clean energy facility;

2303 (b) by a qualified utility;

2304 (c) by a person other than a contract customer or qualified utility; or

2305 (d) jointly by any combination of Subsections (1)(a), (b), and (c), whether in equal  
2306 shares or otherwise.

2307 (2) A qualified utility may be a joint owner of a [renewable] clean energy facility only  
2308 if:

2309 (a) the qualified utility consents to being a joint owner; and

2310 (b) the joint ownership agreement requires the qualified utility to recover from contract  
2311 customers receiving electricity from the [renewable] clean energy facility all of the qualified  
2312 utility's costs associated with its ownership of the [renewable] clean energy facility, including  
2313 administrative, acquisition, operation, and maintenance costs, unless the commission, in an  
2314 order issued in a separate regulatory proceeding:

2315 (i) authorizes the qualified utility to recover some of those costs from customers other  
2316 than contract customers;

2317 (ii) determines that the rate to be paid for electricity from the [renewable] clean energy  
2318 facility by customers other than contract customers is cost effective; and

2319 (iii) approves the inclusion of the rate determined under Subsection (2)(b)(ii) in general  
2320 rates or through a commission approved cost recovery mechanism.

2321 (3) To the extent that any electricity from a [renewable] clean energy facility to be

2322 delivered to a contract customer is owned by a person other than the contract customer:

2323 (a) the qualified utility shall, by contract with the owner of the electricity to be sold  
2324 from the [renewable] clean energy facility, purchase electricity for resale to one or more  
2325 contract customers;

2326 (b) the qualified utility shall sell that electricity to the contract customer or customers  
2327 under [renewable] clean energy contracts with the same duration and pricing as the contract  
2328 between the qualified utility and the owner of the electricity to be sold from the [renewable]  
2329 clean energy facility; and

2330 (c) the qualified utility's contract with the owner of the electricity to be sold from the  
2331 [renewable] clean energy facility shall provide that the qualified utility's obligation to purchase  
2332 electricity under that contract ceases if the contract customer defaults in its obligation to  
2333 purchase and pay for the electricity under the contract with the qualified utility.

2334 (4) The right to any environmental attribute associated with a [renewable] clean energy  
2335 facility shall remain the property of the [renewable] clean energy facility's owner, except to the  
2336 extent that a contract to which the owner is a party provides otherwise.

2337 Section 29. Section **54-17-804** is amended to read:

2338 **54-17-804. Exemption from certificate of convenience and necessity**  
2339 **requirements.**

2340 (1) A qualified utility is not required to (1) comply with Section **54-4-25** with respect to a  
2341 [renewable] clean energy facility that is the subject of a [renewable] clean energy contract if:

2342 (a) each contract necessary for the commission to determine compliance with this part  
2343 is filed with the commission; and

2344 (b) the commission determines that each contract relating to the [renewable] clean  
2345 energy facility complies with this part.

2346 (2) In making its determination under Subsection (1)(b), the commission may process  
2347 and consider together multiple [renewable] clean energy contracts between the same contract  
2348 customer and the qualified utility providing for the delivery of electricity from a [renewable]  
2349 clean energy facility to the contract customer's multiple metered delivery locations.

2350 Section 30. Section **54-17-805** is amended to read:

2351 **54-17-805. Costs associated with delivering electricity from a clean energy facility**  
2352 **to a contract customer.**

2353 (1) To the extent that a [renewable] clean energy contract provides for the delivery of  
2354 electricity from a [renewable] clean energy facility owned by the contract customer, the  
2355 [renewable] clean energy contract shall require the contract customer to pay for the use of the  
2356 qualified utility's transmission or distribution facilities at the qualified utility's applicable rates,  
2357 which may include transmission costs at the qualified utility's applicable rate approved by the  
2358 Federal Energy Regulatory Commission.

2359 (2) To the extent that a [renewable] clean energy contract provides for the delivery of  
2360 electricity from a [renewable] clean energy facility owned by a person other than the qualified  
2361 utility or the contract customer, the [renewable] clean energy contract shall require the contract  
2362 customer to bear all reasonably identifiable costs that the qualified utility incurs in delivering  
2363 the electricity from the [renewable] clean energy facility to the contract customer, including all  
2364 costs to procure and deliver electricity and for billing, administrative, and related activities, as  
2365 determined by the commission.

2366 (3) A qualified utility that enters a [renewable] clean energy contract shall charge a  
2367 contract customer for all metered electric service delivered to the contract customer, including  
2368 generation, transmission, and distribution service, at the qualified utility's applicable tariff  
2369 rates, excluding:

2370 (a) any kilowatt hours of electricity delivered from the [renewable] clean energy  
2371 facility, based on the time of delivery, adjusted for transmission losses;

2372 (b) any kilowatts of electricity delivered from the [renewable] clean energy facility that  
2373 coincide with the contract customer's monthly metered kilowatt demand measurement, adjusted  
2374 for transmission losses;

2375 (c) any transmission and distribution service that the contract customer pays for under  
2376 Subsection (1) or (2); and

2377 (d) any transmission service that the contract customer provides under Subsection (2)  
2378 to deliver generation from the [renewable] clean energy facility.

2379 Section 31. Section **54-17-806** is amended to read:

2380 **54-17-806. Qualified utility clean energy tariff.**

2381 (1) The commission may authorize a qualified utility to implement a [renewable] clean  
2382 energy tariff in accordance with this section if the commission determines the tariff that the  
2383 qualified utility proposes is reasonable and in the public interest.

- 2384 (2) The commission may authorize a tariff under Subsection (1) to apply to:
- 2385 (a) a qualified utility customer with an aggregated electrical load of at least five
- 2386 megawatts; or
- 2387 (b) a combination of qualified utility customers who are separately metered if:
- 2388 (i) the aggregated electrical load of the qualified utility customers is at least five
- 2389 megawatts; and
- 2390 (ii) each of the qualified utility customers is located within a project area, as defined in
- 2391 Section 11-58-102.
- 2392 (3) A customer who agrees to take service that is subject to the [~~renewable~~] clean
- 2393 energy tariff under this section shall pay:
- 2394 (a) the customer's normal tariff rate;
- 2395 (b) an incremental charge in an amount equal to the difference between the cost to the
- 2396 qualified utility to supply [~~renewable~~] clean generation to the [~~renewable~~] clean energy tariff
- 2397 customer and the qualified utility's avoided costs as defined in Subsection 54-2-1(1), or a
- 2398 different methodology recommended by the qualified utility; and
- 2399 (c) an administrative fee in an amount approved by the commission.
- 2400 (4) The commission shall allow a qualified utility to recover the qualified utility's
- 2401 prudently incurred cost of [~~renewable~~] clean generation procured pursuant to the tariff
- 2402 established in this section that is not otherwise recovered from the proceeds of the tariff paid by
- 2403 customers agreeing to service that is subject to the [~~renewable~~] clean energy tariff.
- 2404 Section 32. Section 54-17-807 is amended to read:
- 2405 **54-17-807. Solar photovoltaic or thermal solar energy facilities.**
- 2406 (1) As used in this section, "acquire" means to purchase, construct, or purchase the
- 2407 output from a photovoltaic or thermal solar energy resource.
- 2408 (2) (a) In accordance with this section, a qualified utility may file an application with
- 2409 the commission for approval to acquire a photovoltaic or thermal solar energy resource using
- 2410 rate recovery based on a competitive market price, except as provided in Subsection (2)(b).
- 2411 (b) A qualified utility may not, under this section, acquire a photovoltaic or thermal
- 2412 solar energy resource with a generating capacity that is two megawatts or less per meter if that
- 2413 resource is located on the customer's side of the meter.
- 2414 (3) The energy resource acquired pursuant to this section may be owned solely or

2415 jointly by a qualified utility or another entity:

2416 (a) to provide [~~renewable~~] clean energy to a contract customer as provided in Section  
2417 54-17-803;

2418 (b) to serve energy to a qualified utility customer as provided in Section 54-17-806;

2419 (c) to serve energy to any customers of the qualified utility if the proposed energy  
2420 resource's nameplate capacity does not exceed 300 megawatts or, if applicable, the quantity of  
2421 capacity that is the subject of a contract for the purchase of electricity does not exceed 300  
2422 megawatts, so long as the qualified utility proceeds under and complies with Part 4, Voluntary  
2423 Request for Resource Decision Review; or

2424 (d) to serve energy to any customers of the qualified utility if the proposed energy  
2425 resource's nameplate capacity exceeds 300 megawatts or, if applicable, the quantity of capacity  
2426 that is the subject of a contract for the purchase of electricity exceeds 300 megawatts, so long  
2427 as the qualified utility complies with this chapter.

2428 (4) Except as provided in Subsections (3)(c) and (d), the following do not apply to an  
2429 application submitted under Subsection (2):

2430 (a) Part 1, General Provisions;

2431 (b) Part 2, Solicitation Process;

2432 (c) Part 3, Resource Plans and Significant Energy Resource Approval;

2433 (d) Part 4, Voluntary Request for Resource Decision Review; and

2434 (e) Section 54-17-502.

2435 (5) The application described in Subsection (2) shall include:

2436 (a) a proposed solicitation process for the energy resource;

2437 (b) the criteria proposed to be used to evaluate the responses to the solicitation:

2438 (i) as determined by the customer, if the energy resource is sought to serve a customer  
2439 pursuant to Subsection (3)(a) or (b); or

2440 (ii) as proposed by the qualified utility, if the energy resource is sought to serve the  
2441 customers of the qualified utility pursuant to Subsection (3)(c) or (d); and

2442 (c) any other information the commission may require.

2443 (6) (a) Before approving a solicitation process under this section for an energy resource  
2444 to serve customers of the qualified utility pursuant to Subsection (3)(c) or (d), the commission  
2445 shall:

2446 (i) hold a public hearing; and

2447 (ii) provide an opportunity for public comment.

2448 (b) The commission may approve a solicitation process under this section only if the  
2449 commission determines that the solicitation and evaluation processes to be used will create a  
2450 level playing field in which the qualified utility and other bidders can compete fairly, including  
2451 with respect to interconnection and transmission requirements imposed on bidders by the  
2452 solicitation within the control of the commission and the qualified utility, excluding its  
2453 federally regulated transmission function, and will otherwise serve the public interest.

2454 (7) (a) Upon completion of the solicitation process approved under Subsection (6), the  
2455 qualified utility may seek approval from the commission to acquire the energy resource  
2456 identified through the solicitation process as the winning bid.

2457 (b) Before approving acquisition of an energy resource acquired pursuant to this  
2458 section, the commission shall:

2459 (i) hold a public hearing;

2460 (ii) provide an opportunity for public comment;

2461 (iii) determine whether the solicitation and evaluation processes complied with this  
2462 section, commission rules, and the commission's order approving the solicitation process; and

2463 (iv) determine whether the acquisition of the energy resource is just and reasonable,  
2464 and in the public interest.

2465 (c) The commission may approve a qualified utility's ownership of an energy resource  
2466 or a power purchase agreement containing a purchase option under Subsection (3)(c) or (d)  
2467 with rate recovery based on a competitive market price only if the commission determines that  
2468 the qualified utility's bid is the lowest cost ownership option for the qualified utility.

2469 (d) If the commission approves a qualified utility's acquisition of an energy resource  
2470 under Subsection (3), including entering into a power purchase agreement containing a  
2471 purchase option, using rate recovery based on a competitive market price:

2472 (i) the prices approved by the commission shall constitute competitive market prices  
2473 for purposes of this section; and

2474 (ii) assets owned by the qualified utility and used to provide service as approved under  
2475 this section are not public utility property.

2476 (8) If upon completion of a solicitation process approved under Subsection (6) the

2477 qualified utility proposes not to acquire an energy resource, the qualified utility shall file with  
2478 the commission a report explaining its reasons for not acquiring the lowest cost resource bid  
2479 into the solicitation, along with any other information the commission requires.

2480 (9) Within six months after a competitive market price for a solar energy resource  
2481 acquired under Subsection (3)(c) or (d) has been identified pursuant to this section, or for such  
2482 longer period as the commission may determine to be in the public interest, a qualified utility  
2483 may file an application with the commission seeking approval to acquire another energy  
2484 resource similar to the energy resource for which a competitive market price was established  
2485 without going through a new solicitation process. The commission may approve the application  
2486 if the qualified utility demonstrates a need to acquire the energy resource, that the competitive  
2487 market price remains reasonable, and that the acquisition is in the public interest.

2488 (10) No later than 180 days before the end of the term approved by the commission for  
2489 an energy resource acquired under this section and owned by the qualified utility, the qualified  
2490 utility shall file with the commission a request for determination of an appropriate disposition  
2491 of the energy resource asset, except that the qualified utility is permitted to retain the benefits  
2492 or proceeds and shall be required to assume the costs and risks of ownership of the energy  
2493 resource.

2494 (11) The commission shall adopt rules, in accordance with Title 63G, Chapter 3, Utah  
2495 Administrative Rulemaking Act:

2496 (a) addressing the content and filing of an application under this section;

2497 (b) to establish the solicitation process and criteria to be used to identify the  
2498 competitive market price and select an energy resource; and

2499 (c) addressing other factors determined by the commission to be relevant to protect the  
2500 public interest and to implement this section.

2501 Section 33. Section **54-17-901** is amended to read:

2502 **54-17-901. Community Clean Energy Act.**

2503 This part is known as the "Community [~~Renewable~~] Clean Energy Act."

2504 Section 34. Section **54-17-902** is amended to read:

2505 **54-17-902. Definitions.**

2506 As used in this part:

2507 (1) (a) "Auxiliary services" means those services necessary to safely and reliably:

2508 (i) interconnect and transmit electric power from any ~~[renewable]~~ clean energy  
2509 resource constructed or acquired for a community ~~[renewable]~~ clean energy program; and

2510 (ii) integrate and supplement electric power from any ~~[renewable]~~ clean energy  
2511 resource.

2512 (b) "Auxiliary services" shall include applicable Federal Energy Regulatory  
2513 Commission requirements governing transmission and interconnection services.

2514 (2) "Clean electric energy supply" means incremental clean energy resources that are  
2515 developed to meet the equivalent of the annual electric energy consumption of participating  
2516 customers within a participating community.

2517 (3) "Clean energy resource" means:

2518 (a) electric energy generated by a source that is naturally replenished and includes one  
2519 or more of the following:

2520 (i) wind;

2521 (ii) solar photovoltaic or thermal solar technology;

2522 (iii) a geothermal resource; or

2523 (iv) a hydroelectric plant including a pumped storage hydropower facility;

2524 (b) use of an energy efficient and sustainable technology the commission has approved  
2525 for implementation that:

2526 (i) increases efficient energy usage;

2527 (ii) is capable of being used for demand response;

2528 (iii) facilitates the use and development of clean generation resources through electrical  
2529 grid management or energy storage; or

2530 (iv) uses carbon capture utilization and sequestration; or

2531 (c) energy derived from nuclear fuel.

2532 ~~[(2)]~~ (4) "Commission" means the Public Service Commission created in Section  
2533 54-1-1.

2534 ~~[(3)]~~ (5) "Community ~~[renewable]~~ clean energy program" means the program approved  
2535 by the commission under Section 54-17-904 that allows a qualified utility to provide electric  
2536 service from one or more ~~[renewable]~~ clean energy resources to a participating customer within  
2537 a participating community.

2538 ~~[(4)]~~ (6) "County" means the unincorporated area of a county.

2539 ~~[(5)]~~ (7) "Division" means the Division of Public Utilities created in Section 54-4a-1.

2540 ~~[(6)]~~ (8) (a) "Initial opt-out period" means the period of time immediately after the

2541 community ~~[renewable]~~ clean energy program's commencement, as established by the

2542 commission by rule made pursuant to Section 54-17-909, during which a participating

2543 customer may elect to leave the program without penalty.

2544 (b) "Initial opt-out period" may not be shorter than three typical billing cycles of the

2545 qualified utility.

2546 ~~[(7)]~~ (9) "Municipality" means a city or a town as defined in Section 10-1-104.

2547 ~~[(8)]~~ (10) "Office" means the Office of Consumer Services created in Section

2548 54-10a-101.

2549 ~~[(9)]~~ (11) "Ongoing costs" means the costs allocated to the state for transmission and

2550 distribution facilities, retail services, and generation assets that are not replaced assets.

2551 ~~[(10)]~~ (12) "Participating community" means a municipality or a county:

2552 (a) whose residents are served by a qualified utility; and

2553 (b) the municipality or county meets the requirements in Section 54-17-903.

2554 ~~[(11)]~~ (13) "Participating customer" means:

2555 (a) a customer of a qualified utility located within the boundary of a municipality or

2556 county where a community ~~[renewable]~~ clean energy program has been approved by the

2557 commission; and

2558 (b) the customer has not exercised the right to not participate in the community

2559 ~~[renewable]~~ clean energy program as provided in Section 54-17-905.

2560 ~~[(12)]~~ (14) "Qualified utility" means the same as that term is defined in Section

2561 54-17-801.

2562 ~~[(13)] "Renewable electric energy supply" means incremental renewable energy~~

2563 ~~resources that are developed to meet the equivalent of the annual electric energy consumption~~

2564 ~~of participating customers within a participating community.]~~

2565 ~~[(14) "Renewable energy resource" means:]~~

2566 ~~[(a) electric energy generated by a source that is naturally replenished and includes one~~

2567 ~~or more of the following:]~~

2568 ~~[(i) wind;]~~

2569 ~~[(ii) solar photovoltaic or thermal solar technology;]~~

2570 ~~[(iii) a geothermal resource; or]~~  
2571 ~~[(iv) a hydroelectric plant; or]~~  
2572 ~~[(b) use of an energy efficient and sustainable technology the commission has approved~~  
2573 ~~for implementation that:]~~  
2574 ~~[(i) increases efficient energy usage;]~~  
2575 ~~[(ii) is capable of being used for demand response; or]~~  
2576 ~~[(iii) facilitates the use and development of renewable generation resources through~~  
2577 ~~electrical grid management or energy storage.]~~

2578 (15) "Replaced asset" means an existing thermal energy resource:  
2579 (a) that was built or acquired, in whole or in part, by a qualified utility to serve the  
2580 qualified utility's customers, including customers within a participating community;  
2581 (b) that was built or acquired prior to commission approval and the effective date of the  
2582 community [~~renewable~~] clean energy program; and  
2583 (c) to the extent the asset is no longer used to serve participating customers.

2584 Section 35. Section **54-17-903** is amended to read:

2585 **54-17-903. Program requirement for a municipality or county.**

2586 (1) Customers of a qualified utility may be served by the community [~~renewable~~] clean  
2587 energy program described in this part if the municipality or county satisfies the requirements of  
2588 Subsection (2).

2589 (2) The municipality or county in which the customer resides shall:

2590 (a) adopt a resolution no later than December 31, 2019, that states a goal of achieving  
2591 an amount equivalent to 100% of the annual electric energy supply for participating customers  
2592 from a [~~renewable~~] clean energy resource by 2030;

2593 (b) enter into an agreement with a qualified utility:

2594 (i) with the stipulation of payment by the municipality or county to the qualified utility  
2595 for the costs of:

2596 (A) third-party expertise contracted for by the division and the office, for assistance  
2597 with activities associated with initial approval of the community [~~renewable~~] clean energy  
2598 program; and

2599 (B) providing notice to the municipality's or county's customers as provided in Section  
2600 [54-17-905](#);

- 2601 (ii) determining the obligation for the payment of any termination charges under  
2602 Subsection 54-17-905(3) that are not paid by a participating customer and not included in  
2603 participating customer rates under Subsections 54-17-904(2) and (4); and
- 2604 (iii) identifying any initially proposed replaced asset;
- 2605 (c) adopt a local ordinance that:
- 2606 (i) establishes participation in the [renewable] clean energy program; and
- 2607 (ii) is consistent with the terms of the agreement entered into with the qualified utility  
2608 under Subsection (2)(b); and
- 2609 (d) comply with any other terms or conditions required by the commission.
- 2610 (3) The local ordinance required in Subsection (2)(c) shall be adopted by the  
2611 municipality or county within 90 days after the date of the commission order approving the  
2612 community [renewable] clean energy program.
- 2613 Section 36. Section 54-17-904 is amended to read:
- 2614 **54-17-904. Authority of commission to approve a community clean energy**  
2615 **program.**
- 2616 (1) After the commission has adopted administrative rules as required under Section  
2617 54-17-909, a qualified utility may file an application with the commission for approval of a  
2618 community [renewable] clean energy program.
- 2619 (2) The application shall include:
- 2620 (a) the names of each municipality and county to be served by the community  
2621 [renewable] clean energy program;
- 2622 (b) a map of the geographic boundaries of each municipality and county;
- 2623 (c) the number of customers served by the qualified utility within those boundaries;
- 2624 (d) projected rates for participating customers that take into account:
- 2625 (i) the estimated number of customers expected to participate in the program;
- 2626 (ii) the quantifiable costs and benefits to the qualified utility and all of the qualified  
2627 utility's customers in their capacity as ratepayers of the qualified utility, excluding costs or  
2628 benefits that do not directly affect the qualified utility, including as applicable:
- 2629 (A) replaced assets;
- 2630 (B) auxiliary services; and
- 2631 (C) new [renewable] clean energy resources used to serve the community [renewable]

2632 clean energy program; and  
2633 (iii) the ongoing costs at the time of the application;  
2634 (e) the agreement entered into with the qualified utility under Section 54-17-903;  
2635 (f) a proposed plan established by the participating community addressing low-income  
2636 programs and assistance;  
2637 (g) a proposed solicitation process for the acquisition of [~~renewable~~] clean energy  
2638 resources as provided in Section 54-17-908; and  
2639 (h) any other information the commission may require by rule.  
2640 (3) The commission may approve an application for a community [~~renewable~~] clean  
2641 energy program if the commission finds:  
2642 (a) the application meets all of the requirements in this section and administrative rules  
2643 adopted by the commission in accordance with Sections 54-17-908 and 54-17-909 to  
2644 implement this part; and  
2645 (b) the community [~~renewable~~] clean energy program is in the public interest.  
2646 (4) The rates approved by the commission for participating customers:  
2647 (a) shall be based on the factors included in Subsection (2)(d) and any other factor  
2648 determined by the commission to be in the public interest;  
2649 (b) may not result in any shift of costs or benefits to any nonparticipating customer, or  
2650 any other customer of the qualified utility beyond the participating community boundaries; and  
2651 (c) shall take into account any quantifiable benefits to the qualified utility, and the  
2652 qualified utility's customers, including participating customers in their capacity as ratepayers of  
2653 the qualified utility, excluding costs or benefits that do not directly affect the qualified utility's  
2654 costs of service.  
2655 (5) (a) Each municipality or county included in the application shall be a party to the  
2656 regulatory proceeding.  
2657 (b) A municipality or county identified in the application shall provide information to  
2658 all relevant parties in accordance with the commission's rules for discovery, notwithstanding  
2659 Title 63G, Chapter 2, Government Records Access and Management Act.  
2660 (6) The community [~~renewable~~] clean energy program may not be implemented until  
2661 after the municipality or county adopts the ordinance required in Section 54-17-903.  
2662 Section 37. Section 54-17-905 is amended to read:

2663 **54-17-905. Customer participation -- Election not to participate.**

2664 (1) (a) After commission approval of a community [renewable] clean energy program  
2665 and adoption of the ordinance by the participating community as required in Section  
2666 54-17-903, a qualified utility shall provide notice to each of its customers within the  
2667 participating community that includes:

2668 (i) the projected rates and terms of participation in the community [renewable] clean  
2669 energy program approved by the commission;

2670 (ii) an estimated comparison to otherwise applicable existing rates;

2671 (iii) an explanation that the customer may elect to not participate in the community  
2672 [renewable] clean energy program by notifying the qualified utility; and

2673 (iv) any other information required by the commission.

2674 (b) The qualified utility shall provide the notice required under Subsection (1)(a) to  
2675 each customer:

2676 (i) no less than twice within the period of 60 days immediately preceding the date  
2677 required to opt out of the community [renewable] clean energy program; and

2678 (ii) separately from the customer's monthly billing.

2679 (c) The qualified utility shall provide the information required under Subsection (1)(a)  
2680 in person to each customer with an electric load of one megawatt or greater measured at a  
2681 single meter.

2682 (2) (a) An existing customer of the qualified utility may elect to not participate in the  
2683 community [renewable] clean energy program and continue to pay applicable existing rates by  
2684 giving notice to the qualified utility in the manner and within the time period determined by the  
2685 commission.

2686 (b) After implementation of the community [renewable] clean energy program:

2687 (i) a customer that previously elected not to participate in the program may become a  
2688 participating customer as allowed by commission rules and by giving notice to the qualified  
2689 utility in the manner required by the commission; and

2690 (ii) a customer of the qualified utility that begins taking electric service within a  
2691 participating community after the date of implementation of the community [renewable] clean  
2692 energy program shall:

2693 (A) be given notice as determined by the commission; and

2694 (B) shall become a participating customer unless the person elects not to participate by  
2695 giving notice to the qualified utility in the manner and within the time period determined by the  
2696 commission.

2697 (3) (a) A customer that does not opt out of the community [~~renewable~~] clean energy  
2698 program under Subsection (2) may later discontinue participation in the community  
2699 [~~renewable~~] clean energy program as allowed by the commission as described in Subsection  
2700 (3)(b) or (c).

2701 (b) (i) During the initial opt-out period, a participating customer may elect to leave the  
2702 program by giving notice to the qualified utility in the manner determined by the commission.

2703 (ii) A participating customer that opts out as described in Subsection (3)(b)(i) is not  
2704 subject to a termination charge.

2705 (c) After the community [~~renewable~~] clean energy program's initial opt-out period, a  
2706 participating customer may elect to leave the program by:

2707 (i) giving notice to the qualified utility in the manner determined by the commission;  
2708 and

2709 (ii) paying a termination charge as determined by the commission that may include the  
2710 cost of [~~renewable~~] clean energy resources acquired or constructed for the community  
2711 [~~renewable~~] clean energy program that are not being utilized by participating customers as  
2712 necessary to prevent shifting costs to other customers of the qualified utility.

2713 (4) (a) A customer of a qualified utility that is annexed into the boundaries of a  
2714 participating community after the effective date of the community [~~renewable~~] clean energy  
2715 program shall be given notice as provided in Subsection (1) advising the customer of the option  
2716 to opt out of the program.

2717 (b) A participating customer located in a portion of a county that is annexed into a  
2718 municipality that is not a participating community shall continue to be included in the  
2719 [~~renewable~~] clean energy program if the customer remains a customer of the qualified utility.

2720 (c) If a participating customer is annexed into a municipality that provides electric  
2721 service to the municipality's residents:

2722 (i) the customer may continue to be served by the qualified utility under the community  
2723 [~~renewable~~] clean energy program if the qualified utility enters into an agreement with the  
2724 municipality under Section 54-3-30; or

2725 (ii) the municipality shall pay the termination charge for each participating customer  
2726 that is no longer served by the qualified utility.

2727 (5) A residential customer that is participating in the net metering program under Title  
2728 54, Chapter 15, Net Metering of Electricity, may not be a participating customer under this  
2729 part.

2730 (6) (a) The cost of providing notice under Subsection (1) shall be paid by the  
2731 participating communities.

2732 (b) All other notices required under this section shall be paid for as program costs and  
2733 recovered through participating customers' rates.

2734 Section 38. Section **54-17-906** is amended to read:

2735 **54-17-906. Customer billing.**

2736 The qualified utility shall:

2737 (1) include information on its monthly bills to participating customers identifying the  
2738 community [~~renewable~~] clean energy program cost; and

2739 (2) provide notice to participating customers of any change in rate for participation in  
2740 the community [~~renewable~~] clean energy program.

2741 Section 39. Section **54-17-908** is amended to read:

2742 **54-17-908. Acquisition of clean energy resources.**

2743 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2744 commission shall make rules outlining a competitive solicitation process for the acquisition of  
2745 [~~renewable~~] clean assets acquired by the qualified utility for purposes of this act.

2746 (2) The solicitation rules shall include the following provisions:

2747 (a) solar photovoltaic or thermal solar energy facilities may be acquired under the  
2748 provisions of Section [54-17-807](#);

2749 (b) [~~renewable~~] clean energy resources developed under this part shall be constructed  
2750 or acquired subject to an option by the qualified utility to own the [~~renewable~~] clean energy  
2751 resource so long as including the option in a solicitation is in the interest of participating  
2752 customers and other customers of the qualified utility; and

2753 (c) any other requirement determined by the commission to be in the public interest.

2754 (3) Upon completion of a solicitation under this section and the rules adopted by the  
2755 commission to implement this section, the commission may approve cost recovery for a

2756 [renewable] clean energy resource for the community [renewable] clean energy program if  
2757 approval of the [renewable] clean energy resource:

- 2758 (a) complies with the provisions of this part;
- 2759 (b) does not result in shifting of costs or benefits to other customers of the qualified  
2760 utility; and
- 2761 (c) is in the public interest.

2762 Section 40. Section **59-2-102** is amended to read:

2763 **59-2-102. Definitions.**

2764 As used in this chapter:

2765 (1) (a) "Acquisition cost" means any cost required to put an item of tangible personal  
2766 property into service.

2767 (b) "Acquisition cost" includes:

- 2768 (i) the purchase price of a new or used item;
- 2769 (ii) the cost of freight, shipping, loading at origin, unloading at destination, crating,  
2770 skidding, or any other applicable cost of shipping;
- 2771 (iii) the cost of installation, engineering, rigging, erection, or assembly, including  
2772 foundations, pilings, utility connections, or similar costs; and
- 2773 (iv) sales and use taxes.

2774 (2) "Aerial applicator" means aircraft or rotorcraft used exclusively for the purpose of  
2775 engaging in dispensing activities directly affecting agriculture or horticulture with an  
2776 airworthiness certificate from the Federal Aviation Administration certifying the aircraft or  
2777 rotorcraft's use for agricultural and pest control purposes.

2778 (3) "Air charter service" means an air carrier operation that requires the customer to  
2779 hire an entire aircraft rather than book passage in whatever capacity is available on a scheduled  
2780 trip.

2781 (4) "Air contract service" means an air carrier operation available only to customers  
2782 that engage the services of the carrier through a contractual agreement and excess capacity on  
2783 any trip and is not available to the public at large.

2784 (5) "Aircraft" means the same as that term is defined in Section [72-10-102](#).

2785 (6) (a) Except as provided in Subsection (6)(b), "airline" means an air carrier that:

- 2786 (i) operates:

- 2787 (A) on an interstate route; and
- 2788 (B) on a scheduled basis; and
- 2789 (ii) offers to fly one or more passengers or cargo on the basis of available capacity on a
- 2790 regularly scheduled route.
- 2791 (b) "Airline" does not include an:
- 2792 (i) air charter service; or
- 2793 (ii) air contract service.
- 2794 (7) "Assessment roll" or "assessment book" means a permanent record of the
- 2795 assessment of property as assessed by the county assessor and the commission and may be
- 2796 maintained manually or as a computerized file as a consolidated record or as multiple records
- 2797 by type, classification, or categories.
- 2798 (8) "Base parcel" means a parcel of property that was legally:
- 2799 (a) subdivided into two or more lots, parcels, or other divisions of land; or
- 2800 (b) (i) combined with one or more other parcels of property; and
- 2801 (ii) subdivided into two or more lots, parcels, or other divisions of land.
- 2802 (9) (a) "Certified revenue levy" means a property tax levy that provides an amount of
- 2803 ad valorem property tax revenue equal to the sum of:
- 2804 (i) the amount of ad valorem property tax revenue to be generated statewide in the
- 2805 previous year from imposing a multicounty assessing and collecting levy, as specified in
- 2806 Section [59-2-1602](#); and
- 2807 (ii) the product of:
- 2808 (A) eligible new growth, as defined in Section [59-2-924](#); and
- 2809 (B) the multicounty assessing and collecting levy certified by the commission for the
- 2810 previous year.
- 2811 (b) For purposes of this Subsection (9), "ad valorem property tax revenue" does not
- 2812 include property tax revenue received by a taxing entity from personal property that is:
- 2813 (i) assessed by a county assessor in accordance with Part 3, County Assessment; and
- 2814 (ii) semiconductor manufacturing equipment.
- 2815 (c) For purposes of calculating the certified revenue levy described in this Subsection
- 2816 (9), the commission shall use:
- 2817 (i) the taxable value of real property assessed by a county assessor contained on the

2818 assessment roll;

2819 (ii) the taxable value of real and personal property assessed by the commission; and

2820 (iii) the taxable year end value of personal property assessed by a county assessor

2821 contained on the prior year's assessment roll.

2822 (10) "County-assessed commercial vehicle" means:

2823 (a) any commercial vehicle, trailer, or semitrailer that is not apportioned under Section

2824 41-1a-301 and is not operated interstate to transport the vehicle owner's goods or property in

2825 furtherance of the owner's commercial enterprise;

2826 (b) any passenger vehicle owned by a business and used by its employees for

2827 transportation as a company car or vanpool vehicle; and

2828 (c) vehicles that are:

2829 (i) especially constructed for towing or wrecking, and that are not otherwise used to

2830 transport goods, merchandise, or people for compensation;

2831 (ii) used or licensed as taxicabs or limousines;

2832 (iii) used as rental passenger cars, travel trailers, or motor homes;

2833 (iv) used or licensed in this state for use as ambulances or hearses;

2834 (v) especially designed and used for garbage and rubbish collection; or

2835 (vi) used exclusively to transport students or their instructors to or from any private,

2836 public, or religious school or school activities.

2837 (11) "Eligible judgment" means a final and unappealable judgment or order under

2838 Section 59-2-1330:

2839 (a) that became a final and unappealable judgment or order no more than 14 months

2840 before the day on which the notice described in Section 59-2-919.1 is required to be provided;

2841 and

2842 (b) for which a taxing entity's share of the final and unappealable judgment or order is

2843 greater than or equal to the lesser of:

2844 (i) \$5,000; or

2845 (ii) 2.5% of the total ad valorem property taxes collected by the taxing entity in the

2846 previous fiscal year.

2847 (12) (a) "Escaped property" means any property, whether personal, land, or any

2848 improvements to the property, that is subject to taxation and is:

2849 (i) inadvertently omitted from the tax rolls, assigned to the incorrect parcel, or assessed  
2850 to the wrong taxpayer by the assessing authority;

2851 (ii) undervalued or omitted from the tax rolls because of the failure of the taxpayer to  
2852 comply with the reporting requirements of this chapter; or

2853 (iii) undervalued because of errors made by the assessing authority based upon  
2854 incomplete or erroneous information furnished by the taxpayer.

2855 (b) "Escaped property" does not include property that is undervalued because of the use  
2856 of a different valuation methodology or because of a different application of the same valuation  
2857 methodology.

2858 (13) (a) "Fair market value" means the amount at which property would change hands  
2859 between a willing buyer and a willing seller, neither being under any compulsion to buy or sell  
2860 and both having reasonable knowledge of the relevant facts.

2861 (b) For purposes of taxation, "fair market value" shall be determined using the current  
2862 zoning laws applicable to the property in question, except in cases where there is a reasonable  
2863 probability of a change in the zoning laws affecting that property in the tax year in question and  
2864 the change would have an appreciable influence upon the value.

2865 (14) "Geothermal fluid" means water in any form at temperatures greater than 120  
2866 degrees centigrade naturally present in a geothermal system.

2867 (15) "Geothermal resource" means:

2868 (a) the natural heat of the earth at temperatures greater than 120 degrees centigrade;  
2869 and

2870 (b) the energy, in whatever form, including pressure, present in, resulting from, created  
2871 by, or which may be extracted from that natural heat, directly or through a material medium.

2872 (16) (a) "Goodwill" means:

2873 (i) acquired goodwill that is reported as goodwill on the books and records that a  
2874 taxpayer maintains for financial reporting purposes; or

2875 (ii) the ability of a business to:

2876 (A) generate income that exceeds a normal rate of return on assets and that results from  
2877 a factor described in Subsection (16)(b); or

2878 (B) obtain an economic or competitive advantage resulting from a factor described in  
2879 Subsection (16)(b).

- 2880 (b) The following factors apply to Subsection (16)(a)(ii):
- 2881 (i) superior management skills;
- 2882 (ii) reputation;
- 2883 (iii) customer relationships;
- 2884 (iv) patronage; or
- 2885 (v) a factor similar to Subsections (16)(b)(i) through (iv).
- 2886 (c) "Goodwill" does not include:
- 2887 (i) the intangible property described in Subsection (19)(a) or (b);
- 2888 (ii) locational attributes of real property, including:
- 2889 (A) zoning;
- 2890 (B) location;
- 2891 (C) view;
- 2892 (D) a geographic feature;
- 2893 (E) an easement;
- 2894 (F) a covenant;
- 2895 (G) proximity to raw materials;
- 2896 (H) the condition of surrounding property; or
- 2897 (I) proximity to markets;
- 2898 (iii) value attributable to the identification of an improvement to real property,
- 2899 including:
- 2900 (A) reputation of the designer, builder, or architect of the improvement;
- 2901 (B) a name given to, or associated with, the improvement; or
- 2902 (C) the historic significance of an improvement; or
- 2903 (iv) the enhancement or assemblage value specifically attributable to the interrelation
- 2904 of the existing tangible property in place working together as a unit.
- 2905 (17) "Governing body" means:
- 2906 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 2907 (b) for a special district under Title 17B, Limited Purpose Local Government Entities -
- 2908 Special Districts, the special district's board of trustees;
- 2909 (c) for a school district, the local board of education;
- 2910 (d) for a special service district under Title 17D, Chapter 1, Special Service District

2911 Act:

2912 (i) the legislative body of the county or municipality that created the special service  
2913 district, to the extent that the county or municipal legislative body has not delegated authority  
2914 to an administrative control board established under Section 17D-1-301; or

2915 (ii) the administrative control board, to the extent that the county or municipal  
2916 legislative body has delegated authority to an administrative control board established under  
2917 Section 17D-1-301; or

2918 (e) for a public infrastructure district under Title 17D, Chapter 4, Public Infrastructure  
2919 District Act, the public infrastructure district's board of trustees.

2920 (18) (a) Except as provided in Subsection (18)(c), "improvement" means a building,  
2921 structure, fixture, fence, or other item that is permanently attached to land, regardless of  
2922 whether the title has been acquired to the land, if:

2923 (i) (A) attachment to land is essential to the operation or use of the item; and

2924 (B) the manner of attachment to land suggests that the item will remain attached to the  
2925 land in the same place over the useful life of the item; or

2926 (ii) removal of the item would:

2927 (A) cause substantial damage to the item; or

2928 (B) require substantial alteration or repair of a structure to which the item is attached.

2929 (b) "Improvement" includes:

2930 (i) an accessory to an item described in Subsection (18)(a) if the accessory is:

2931 (A) essential to the operation of the item described in Subsection (18)(a); and

2932 (B) installed solely to serve the operation of the item described in Subsection (18)(a);

2933 and

2934 (ii) an item described in Subsection (18)(a) that is temporarily detached from the land  
2935 for repairs and remains located on the land.

2936 (c) "Improvement" does not include:

2937 (i) an item considered to be personal property pursuant to rules made in accordance  
2938 with Section 59-2-107;

2939 (ii) a moveable item that is attached to land for stability only or for an obvious  
2940 temporary purpose;

2941 (iii) (A) manufacturing equipment and machinery; or

- 2942 (B) essential accessories to manufacturing equipment and machinery;
- 2943 (iv) an item attached to the land in a manner that facilitates removal without substantial
- 2944 damage to the land or the item; or
- 2945 (v) a transportable factory-built housing unit as defined in Section 59-2-1502 if that
- 2946 transportable factory-built housing unit is considered to be personal property under Section
- 2947 59-2-1503.
- 2948 (19) "Intangible property" means:
- 2949 (a) property that is capable of private ownership separate from tangible property,
- 2950 including:
- 2951 (i) money;
- 2952 (ii) credits;
- 2953 (iii) bonds;
- 2954 (iv) stocks;
- 2955 (v) representative property;
- 2956 (vi) franchises;
- 2957 (vii) licenses;
- 2958 (viii) trade names;
- 2959 (ix) copyrights; and
- 2960 (x) patents;
- 2961 (b) a low-income housing tax credit;
- 2962 (c) goodwill; or
- 2963 (d) a clean or renewable energy tax credit or incentive, including:
- 2964 (i) a federal renewable energy production tax credit under Section 45, Internal Revenue
- 2965 Code;
- 2966 (ii) a federal energy credit for qualified renewable electricity production facilities under
- 2967 Section 48, Internal Revenue Code;
- 2968 (iii) a federal grant for a renewable energy property under American Recovery and
- 2969 Reinvestment Act of 2009, Pub. L. No. 111-5, Section 1603; and
- 2970 (iv) a tax credit under Subsection 59-7-614(5).
- 2971 (20) "Livestock" means:
- 2972 (a) a domestic animal;

- 2973 (b) a fish;
- 2974 (c) a fur-bearing animal;
- 2975 (d) a honeybee; or
- 2976 (e) poultry.

2977 (21) "Low-income housing tax credit" means:

2978 (a) a federal low-income housing tax credit under Section 42, Internal Revenue Code;

2979 or

2980 (b) a low-income housing tax credit under Section 59-7-607 or Section 59-10-1010.

2981 (22) "Metalliferous minerals" includes gold, silver, copper, lead, zinc, and uranium.

2982 (23) "Mine" means a natural deposit of either metalliferous or nonmetalliferous  
2983 valuable mineral.

2984 (24) "Mining" means the process of producing, extracting, leaching, evaporating, or  
2985 otherwise removing a mineral from a mine.

2986 (25) (a) "Mobile flight equipment" means tangible personal property that is owned or  
2987 operated by an air charter service, air contract service, or airline and:

2988 (i) is capable of flight or is attached to an aircraft that is capable of flight; or

2989 (ii) is contained in an aircraft that is capable of flight if the tangible personal property  
2990 is intended to be used:

2991 (A) during multiple flights;

2992 (B) during a takeoff, flight, or landing; and

2993 (C) as a service provided by an air charter service, air contract service, or airline.

2994 (b) (i) "Mobile flight equipment" does not include a spare part other than a spare  
2995 engine that is rotated at regular intervals with an engine that is attached to the aircraft.

2996 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2997 commission may make rules defining the term "regular intervals."

2998 (26) "Nonmetalliferous minerals" includes, but is not limited to, oil, gas, coal, salts,  
2999 sand, rock, gravel, and all carboniferous materials.

3000 (27) "Part-year residential property" means property that is not residential property on  
3001 January 1 of a calendar year but becomes residential property after January 1 of the calendar  
3002 year.

3003 (28) "Personal property" includes:

3004 (a) every class of property as defined in Subsection (29) that is the subject of  
3005 ownership and is not real estate or an improvement;

3006 (b) any pipe laid in or affixed to land whether or not the ownership of the pipe is  
3007 separate from the ownership of the underlying land, even if the pipe meets the definition of an  
3008 improvement;

3009 (c) bridges and ferries;

3010 (d) livestock; and

3011 (e) outdoor advertising structures as defined in Section [72-7-502](#).

3012 (29) (a) "Property" means property that is subject to assessment and taxation according  
3013 to its value.

3014 (b) "Property" does not include intangible property as defined in this section.

3015 (30) (a) "Public utility" means:

3016 (i) the operating property of a railroad, gas corporation, oil or gas transportation or  
3017 pipeline company, coal slurry pipeline company, electrical corporation, sewerage corporation,  
3018 or heat corporation where the company performs the service for, or delivers the commodity to,  
3019 the public generally or companies serving the public generally, or in the case of a gas  
3020 corporation or an electrical corporation, where the gas or electricity is sold or furnished to any  
3021 member or consumers within the state for domestic, commercial, or industrial use; and

3022 (ii) the operating property of any entity or person defined under Section [54-2-1](#) except  
3023 water corporations.

3024 (b) "Public utility" does not include the operating property of a telecommunications  
3025 service provider.

3026 (31) (a) Subject to Subsection (31)(b), "qualifying exempt primary residential rental  
3027 personal property" means household furnishings, furniture, and equipment that:

3028 (i) are used exclusively within a dwelling unit that is the primary residence of a tenant;

3029 (ii) are owned by the owner of the dwelling unit that is the primary residence of a  
3030 tenant; and

3031 (iii) after applying the residential exemption described in Section [59-2-103](#), are exempt  
3032 from taxation under this chapter in accordance with Subsection [59-2-1115\(2\)](#).

3033 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3034 commission may by rule define the term "dwelling unit" for purposes of this Subsection (31)

3035 and Subsection (34).

3036 (32) "Real estate" or "real property" includes:

3037 (a) the possession of, claim to, ownership of, or right to the possession of land;

3038 (b) all mines, minerals, and quarries in and under the land, all timber belonging to  
3039 individuals or corporations growing or being on the lands of this state or the United States, and  
3040 all rights and privileges appertaining to these; and

3041 (c) improvements.

3042 (33) (a) "Relationship with an owner of the property's land surface rights" means a  
3043 relationship described in Subsection 267(b), Internal Revenue Code, except that the term 25%  
3044 shall be substituted for the term 50% in Subsection 267(b), Internal Revenue Code.

3045 (b) For purposes of determining if a relationship described in Subsection 267(b),  
3046 Internal Revenue Code, exists, the ownership of stock shall be determined using the ownership  
3047 rules in Subsection 267(c), Internal Revenue Code.

3048 (34) (a) "Residential property," for purposes of the reductions and adjustments under  
3049 this chapter, means any property used for residential purposes as a primary residence.

3050 (b) "Residential property" includes:

3051 (i) except as provided in Subsection (34)(b)(ii), includes household furnishings,  
3052 furniture, and equipment if the household furnishings, furniture, and equipment are:

3053 (A) used exclusively within a dwelling unit that is the primary residence of a tenant;  
3054 and

3055 (B) owned by the owner of the dwelling unit that is the primary residence of a tenant;  
3056 and

3057 (ii) if the county assessor determines that the property will be used for residential  
3058 purposes as a primary residence:

3059 (A) property under construction; or

3060 (B) unoccupied property.

3061 (c) "Residential property" does not include property used for transient residential use.

3062 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3063 commission may by rule define the term "dwelling unit" for purposes of Subsection (31) and  
3064 this Subsection (34).

3065 (35) "Split estate mineral rights owner" means a person that:

- 3066 (a) has a legal right to extract a mineral from property;
- 3067 (b) does not hold more than a 25% interest in:
  - 3068 (i) the land surface rights of the property where the wellhead is located; or
  - 3069 (ii) an entity with an ownership interest in the land surface rights of the property where
  - 3070 the wellhead is located;
- 3071 (c) is not an entity in which the owner of the land surface rights of the property where
- 3072 the wellhead is located holds more than a 25% interest; and
- 3073 (d) does not have a relationship with an owner of the land surface rights of the property
- 3074 where the wellhead is located.
- 3075 (36) (a) "State-assessed commercial vehicle" means:
  - 3076 (i) any commercial vehicle, trailer, or semitrailer that operates interstate or intrastate to
  - 3077 transport passengers, freight, merchandise, or other property for hire; or
  - 3078 (ii) any commercial vehicle, trailer, or semitrailer that operates interstate and transports
  - 3079 the vehicle owner's goods or property in furtherance of the owner's commercial enterprise.
- 3080 (b) "State-assessed commercial vehicle" does not include vehicles used for hire that are
- 3081 specified in Subsection (10)(c) as county-assessed commercial vehicles.
- 3082 (37) "Subdivided lot" means a lot, parcel, or other division of land, that is a division of
- 3083 a base parcel.
- 3084 (38) "Tax area" means a geographic area created by the overlapping boundaries of one
- 3085 or more taxing entities.
- 3086 (39) "Taxable value" means fair market value less any applicable reduction allowed for
- 3087 residential property under Section [59-2-103](#).
- 3088 (40) "Taxing entity" means any county, city, town, school district, special taxing
- 3089 district, special district under Title 17B, Limited Purpose Local Government Entities - Special
- 3090 Districts, or other political subdivision of the state with the authority to levy a tax on property.
- 3091 (41) (a) "Tax roll" means a permanent record of the taxes charged on property, as
- 3092 extended on the assessment roll, and may be maintained on the same record or records as the
- 3093 assessment roll or may be maintained on a separate record properly indexed to the assessment
- 3094 roll.
- 3095 (b) "Tax roll" includes tax books, tax lists, and other similar materials.
- 3096 (42) "Telecommunications service provider" means the same as that term is defined in

3097 Section [59-12-102](#).

3098 Section 41. Section **59-7-614** is amended to read:

3099 **59-7-614. Renewable energy systems tax credits -- Definitions -- Certification --**

3100 **Rulemaking authority.**

3101 (1) As used in this section:

3102 (a) (i) "Active solar system" means a system of equipment that is capable of:

3103 (A) collecting and converting incident solar radiation into thermal, mechanical, or  
3104 electrical energy; and

3105 (B) transferring a form of energy described in Subsection (1)(a)(i)(A) by a separate  
3106 apparatus to storage or to the point of use.

3107 (ii) "Active solar system" includes water heating, space heating or cooling, and  
3108 electrical or mechanical energy generation.

3109 (b) "Biomass system" means a system of apparatus and equipment for use in:

3110 (i) converting material into biomass energy, as defined in Section [59-12-102](#); and

3111 (ii) transporting the biomass energy by separate apparatus to the point of use or storage.

3112 (c) "Clean energy source" means the same as that term is defined in Section [54-17-601](#).

3113 ~~[(e)]~~ (d) "Commercial energy system" means a system that is:

3114 (i) (A) an active solar system;

3115 (B) a biomass system;

3116 (C) a direct use geothermal system;

3117 (D) a geothermal electricity system;

3118 (E) a geothermal heat pump system;

3119 (F) a hydroenergy system;

3120 (G) a passive solar system; or

3121 (H) a wind system;

3122 (ii) located in the state; and

3123 (iii) used:

3124 (A) to supply energy to a commercial unit; or

3125 (B) as a commercial enterprise.

3126 ~~[(d)]~~ (e) "Commercial enterprise" means an entity, the purpose of which is to produce:

3127 (i) electrical, mechanical, or thermal energy for sale from a commercial energy system;

3128 or

3129 (ii) hydrogen for sale from a hydrogen production system.

3130 ~~[(e)]~~ (f) (i) "Commercial unit" means a building or structure that an entity uses to  
3131 transact business.

3132 (ii) Notwithstanding Subsection ~~[(1)(e)(i)]~~ (1)(f)(i):

3133 (A) with respect to an active solar system used for agricultural water pumping or a  
3134 wind system, each individual energy generating device is considered to be a commercial unit;  
3135 or

3136 (B) if an energy system is the building or structure that an entity uses to transact  
3137 business, a commercial unit is the complete energy system itself.

3138 ~~[(f)]~~ (g) "Direct use geothermal system" means a system of apparatus and equipment  
3139 that enables the direct use of geothermal energy to meet energy needs, including heating a  
3140 building, an industrial process, and aquaculture.

3141 ~~[(g)]~~ (h) "Geothermal electricity" means energy that is:

- 3142 (i) contained in heat that continuously flows outward from the earth; and
- 3143 (ii) used as a sole source of energy to produce electricity.

3144 ~~[(h)]~~ (i) "Geothermal energy" means energy generated by heat that is contained in the  
3145 earth.

3146 ~~[(i)]~~ (j) "Geothermal heat pump system" means a system of apparatus and equipment  
3147 that:

- 3148 (i) enables the use of thermal properties contained in the earth at temperatures well  
3149 below 100 degrees Fahrenheit; and
- 3150 (ii) helps meet heating and cooling needs of a structure.

3151 ~~[(j)]~~ (k) "Hydroenergy system" means a system of apparatus and equipment that is  
3152 capable of:

- 3153 (i) intercepting and converting kinetic water energy into electrical or mechanical  
3154 energy; and
- 3155 (ii) transferring this form of energy by separate apparatus to the point of use or storage.

3156 ~~[(k)]~~ (l) "Hydrogen production system" means a system of apparatus and equipment,  
3157 located in this state, that uses:

- 3158 (i) electricity from a renewable energy source to create hydrogen gas from water,

3159 regardless of whether the renewable energy source is at a separate facility or the same facility  
3160 as the system of apparatus and equipment; or

3161 (ii) uses renewable natural gas to produce hydrogen gas.

3162 ~~[(t)]~~ (m) "Office" means the Office of Energy Development created in Section  
3163 79-6-401.

3164 ~~[(m)]~~ (n) (i) "Passive solar system" means a direct thermal system that utilizes the  
3165 structure of a building and the structure's operable components to provide for collection,  
3166 storage, and distribution of heating or cooling during the appropriate times of the year by  
3167 utilizing the climate resources available at the site.

3168 (ii) "Passive solar system" includes those portions and components of a building that  
3169 are expressly designed and required for the collection, storage, and distribution of solar energy.

3170 ~~[(m)]~~ (o) "Photovoltaic system" means an active solar system that generates electricity  
3171 from sunlight.

3172 ~~[(o)]~~ (p) (i) "Principal recovery portion" means the portion of a lease payment that  
3173 constitutes the cost a person incurs in acquiring a commercial energy system.

3174 (ii) "Principal recovery portion" does not include:

3175 (A) an interest charge; or

3176 (B) a maintenance expense.

3177 ~~[(p)]~~ "Renewable energy source" means the same as that term is defined in Section  
3178 54-17-601.]

3179 (q) "Residential energy system" means the following used to supply energy to or for a  
3180 residential unit:

3181 (i) an active solar system;

3182 (ii) a biomass system;

3183 (iii) a direct use geothermal system;

3184 (iv) a geothermal heat pump system;

3185 (v) a hydroenergy system;

3186 (vi) a passive solar system; or

3187 (vii) a wind system.

3188 (r) (i) "Residential unit" means a house, condominium, apartment, or similar dwelling  
3189 unit that:

- 3190 (A) is located in the state; and
- 3191 (B) serves as a dwelling for a person, group of persons, or a family.
- 3192 (ii) "Residential unit" does not include property subject to a fee under:
  - 3193 (A) Section 59-2-405;
  - 3194 (B) Section 59-2-405.1;
  - 3195 (C) Section 59-2-405.2;
  - 3196 (D) Section 59-2-405.3; or
  - 3197 (E) Section 72-10-110.5.
- 3198 (s) "Wind system" means a system of apparatus and equipment that is capable of:
  - 3199 (i) intercepting and converting wind energy into mechanical or electrical energy; and
  - 3200 (ii) transferring these forms of energy by a separate apparatus to the point of use, sale,
  - 3201 or storage.
- 3202 (2) A taxpayer may claim an energy system tax credit as provided in this section
- 3203 against a tax due under this chapter for a taxable year.
- 3204 (3) (a) Subject to the other provisions of this Subsection (3), a taxpayer may claim a
- 3205 nonrefundable tax credit under this Subsection (3) with respect to a residential unit the taxpayer
- 3206 owns or uses if:
  - 3207 (i) the taxpayer:
    - 3208 (A) purchases and completes a residential energy system to supply all or part of the
    - 3209 energy required for the residential unit; or
    - 3210 (B) participates in the financing of a residential energy system to supply all or part of
    - 3211 the energy required for the residential unit; and
  - 3212 (ii) the taxpayer obtains a written certification from the office in accordance with
  - 3213 Subsection (8).
- 3214 (b) (i) Subject to Subsections (3)(b)(ii) through (iv) and, as applicable, Subsection
- 3215 (3)(c) or (d), the tax credit is equal to 25% of the reasonable costs of each residential energy
- 3216 system installed with respect to each residential unit the taxpayer owns or uses.
- 3217 (ii) A tax credit under this Subsection (3) may include installation costs.
- 3218 (iii) A taxpayer may claim a tax credit under this Subsection (3) for the taxable year in
- 3219 which the residential energy system is completed and placed in service.
- 3220 (iv) If the amount of a tax credit under this Subsection (3) exceeds a taxpayer's tax

3221 liability under this chapter for a taxable year, the taxpayer may carry forward the amount of the  
3222 tax credit exceeding the liability for a period that does not exceed the next four taxable years.

3223 (c) The total amount of tax credit a taxpayer may claim under this Subsection (3) for a  
3224 residential energy system, other than a photovoltaic system, may not exceed \$2,000 per  
3225 residential unit.

3226 (d) The total amount of tax credit a taxpayer may claim under this Subsection (3) for a  
3227 photovoltaic system may not exceed:

3228 (i) for a system installed on or after January 1, 2018, but on or before December 31,  
3229 2020, \$1,600;

3230 (ii) for a system installed on or after January 1, 2021, but on or before December 31,  
3231 2021, \$1,200;

3232 (iii) for a system installed on or after January 1, 2022, but on or before December 31,  
3233 2022, \$800;

3234 (iv) for a system installed on or after January 1, 2023, but on or before December 31,  
3235 2023, \$400; and

3236 (v) for a system installed on or after January 1, 2024, \$0.

3237 (e) If a taxpayer sells a residential unit to another person before the taxpayer claims the  
3238 tax credit under this Subsection (3):

3239 (i) the taxpayer may assign the tax credit to the other person; and

3240 (ii) (A) if the other person files a return under this chapter, the other person may claim  
3241 the tax credit under this section as if the other person had met the requirements of this section  
3242 to claim the tax credit; or

3243 (B) if the other person files a return under Chapter 10, Individual Income Tax Act, the  
3244 other person may claim the tax credit under Section 59-10-1014 as if the other person had met  
3245 the requirements of Section 59-10-1014 to claim the tax credit.

3246 (4) (a) Subject to the other provisions of this Subsection (4), a taxpayer may claim a  
3247 refundable tax credit under this Subsection (4) with respect to a commercial energy system if:

3248 (i) the commercial energy system does not use:

3249 (A) wind, geothermal electricity, solar, or biomass equipment capable of producing a  
3250 total of 660 or more kilowatts of electricity; or

3251 (B) solar equipment capable of producing 2,000 or more kilowatts of electricity;

3252 (ii) the taxpayer purchases or participates in the financing of the commercial energy  
3253 system;

3254 (iii) (A) the commercial energy system supplies all or part of the energy required by  
3255 commercial units owned or used by the taxpayer; or

3256 (B) the taxpayer sells all or part of the energy produced by the commercial energy  
3257 system as a commercial enterprise;

3258 (iv) the taxpayer has not claimed and will not claim a tax credit under Subsection (7)  
3259 for hydrogen production using electricity for which the taxpayer claims a tax credit under this  
3260 Subsection (4); and

3261 (v) the taxpayer obtains a written certification from the office in accordance with  
3262 Subsection (8).

3263 (b) (i) Subject to Subsections (4)(b)(ii) through (iv), the tax credit is equal to 10% of  
3264 the reasonable costs of the commercial energy system.

3265 (ii) A tax credit under this Subsection (4) may include installation costs.

3266 (iii) A taxpayer is eligible to claim a tax credit under this Subsection (4) for the taxable  
3267 year in which the commercial energy system is completed and placed in service.

3268 (iv) The total amount of tax credit a taxpayer may claim under this Subsection (4) may  
3269 not exceed \$50,000 per commercial unit.

3270 (c) (i) Subject to Subsections (4)(c)(ii) and (iii), a taxpayer that is a lessee of a  
3271 commercial energy system installed on a commercial unit may claim a tax credit under this  
3272 Subsection (4) if the taxpayer confirms that the lessor irrevocably elects not to claim the tax  
3273 credit.

3274 (ii) A taxpayer described in Subsection (4)(c)(i) may claim as a tax credit under this  
3275 Subsection (4) only the principal recovery portion of the lease payments.

3276 (iii) A taxpayer described in Subsection (4)(c)(i) may claim a tax credit under this  
3277 Subsection (4) for a period that does not exceed seven taxable years after the day on which the  
3278 lease begins, as stated in the lease agreement.

3279 (5) (a) Subject to the other provisions of this Subsection (5), a taxpayer may claim a  
3280 refundable tax credit under this Subsection (5) with respect to a commercial energy system if:

3281 (i) the commercial energy system uses wind, geothermal electricity, or biomass  
3282 equipment capable of producing a total of 660 or more kilowatts of electricity;

3283 (ii) (A) the commercial energy system supplies all or part of the energy required by  
3284 commercial units owned or used by the taxpayer; or

3285 (B) the taxpayer sells all or part of the energy produced by the commercial energy  
3286 system as a commercial enterprise;

3287 (iii) the taxpayer has not claimed and will not claim a tax credit under Subsection (7)  
3288 for hydrogen production using electricity for which the taxpayer claims a tax credit under this  
3289 Subsection (5); and

3290 (iv) the taxpayer obtains a written certification from the office in accordance with  
3291 Subsection (8).

3292 (b) (i) Subject to Subsection (5)(b)(ii), a tax credit under this Subsection (5) is equal to  
3293 the product of:

3294 (A) 0.35 cents; and

3295 (B) the kilowatt hours of electricity produced and used or sold during the taxable year.

3296 (ii) A taxpayer is eligible to claim a tax credit under this Subsection (5) for production  
3297 occurring during a period of 48 months beginning with the month in which the commercial  
3298 energy system is placed in commercial service.

3299 (c) A taxpayer that is a lessee of a commercial energy system installed on a commercial  
3300 unit may claim a tax credit under this Subsection (5) if the taxpayer confirms that the lessor  
3301 irrevocably elects not to claim the tax credit.

3302 (6) (a) Subject to the other provisions of this Subsection (6), a taxpayer may claim a  
3303 refundable tax credit as provided in this Subsection (6) if:

3304 (i) the taxpayer owns a commercial energy system that uses solar equipment capable of  
3305 producing a total of 660 or more kilowatts of electricity;

3306 (ii) (A) the commercial energy system supplies all or part of the energy required by  
3307 commercial units owned or used by the taxpayer; or

3308 (B) the taxpayer sells all or part of the energy produced by the commercial energy  
3309 system as a commercial enterprise;

3310 (iii) the taxpayer does not claim a tax credit under Subsection (4) and has not claimed  
3311 and will not claim a tax credit under Subsection (7) for hydrogen production using electricity  
3312 for which a taxpayer claims a tax credit under this Subsection (6); and

3313 (iv) the taxpayer obtains a written certification from the office in accordance with

3314 Subsection (8).

3315 (b) (i) Subject to Subsection (6)(b)(ii), a tax credit under this Subsection (6) is equal to  
3316 the product of:

3317 (A) 0.35 cents; and

3318 (B) the kilowatt hours of electricity produced and used or sold during the taxable year.

3319 (ii) A taxpayer is eligible to claim a tax credit under this Subsection (6) for production  
3320 occurring during a period of 48 months beginning with the month in which the commercial  
3321 energy system is placed in commercial service.

3322 (c) A taxpayer that is a lessee of a commercial energy system installed on a commercial  
3323 unit may claim a tax credit under this Subsection (6) if the taxpayer confirms that the lessor  
3324 irrevocably elects not to claim the tax credit.

3325 (7) (a) A taxpayer may claim a refundable tax credit as provided in this Subsection (7)  
3326 if:

3327 (i) the taxpayer owns a hydrogen production system;

3328 (ii) the hydrogen production system is completed and placed in service on or after  
3329 January 1, 2022;

3330 (iii) the taxpayer sells as a commercial enterprise, or supplies for the taxpayer's own  
3331 use in commercial units, the hydrogen produced from the hydrogen production system;

3332 (iv) the taxpayer has not claimed and will not claim a tax credit under Subsection (4),  
3333 (5), or (6) or Section [59-7-626](#) for electricity or hydrogen used to meet the requirements of this  
3334 Subsection (7); and

3335 (v) the taxpayer obtains a written certification from the office in accordance with  
3336 Subsection (8).

3337 (b) (i) Subject to Subsections (7)(b)(ii) and (iii), a tax credit under this Subsection (7)  
3338 is equal to the product of:

3339 (A) \$0.12; and

3340 (B) the number of kilograms of hydrogen produced during the taxable year.

3341 (ii) A taxpayer may not receive a tax credit under this Subsection (7) for more than  
3342 5,600 metric tons of hydrogen per taxable year.

3343 (iii) A taxpayer is eligible to claim a tax credit under this Subsection (7) for production  
3344 occurring during a period of 48 months beginning with the month in which the hydrogen

3345 production system is placed in commercial service.

3346 (8) (a) Before a taxpayer may claim a tax credit under this section, the taxpayer shall  
3347 obtain a written certification from the office.

3348 (b) The office shall issue a taxpayer a written certification if the office determines that:

3349 (i) the taxpayer meets the requirements of this section to receive a tax credit; and

3350 (ii) the residential energy system, the commercial energy system, or the hydrogen  
3351 production system with respect to which the taxpayer seeks to claim a tax credit:

3352 (A) has been completely installed;

3353 (B) is a viable system for saving or producing energy from renewable resources; and

3354 (C) is safe, reliable, efficient, and technically feasible to ensure that the residential  
3355 energy system, the commercial energy system, or the hydrogen production system uses the  
3356 state's renewable and nonrenewable energy resources in an appropriate and economic manner.

3357 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3358 office may make rules:

3359 (i) for determining whether a residential energy system, a commercial energy system,  
3360 or a hydrogen production system meets the requirements of Subsection (8)(b)(ii); and

3361 (ii) for purposes of a tax credit under Subsection (3) or (4), establishing the reasonable  
3362 costs of a residential energy system or a commercial energy system, as an amount per unit of  
3363 energy production.

3364 (d) A taxpayer that obtains a written certification from the office shall retain the  
3365 certification for the same time period a person is required to keep books and records under  
3366 Section [59-1-1406](#).

3367 (e) The office shall submit to the commission an electronic list that includes:

3368 (i) the name and identifying information of each taxpayer to which the office issues a  
3369 written certification; and

3370 (ii) for each taxpayer:

3371 (A) the amount of the tax credit listed on the written certification; and

3372 (B) the date the ~~renewable~~ clean energy system was installed.

3373 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3374 commission may make rules to address the certification of a tax credit under this section.

3375 (10) A tax credit under this section is in addition to any tax credits provided under the

3376 laws or rules and regulations of the United States.

3377 (11) A taxpayer may not claim or carry forward a tax credit described in this section in  
3378 a taxable year during which the taxpayer claims or carries forward a tax credit under Section  
3379 59-7-614.7.

3380 Section 42. Section 59-10-1014 is amended to read:

3381 **59-10-1014. Nonrefundable clean energy systems tax credits -- Definitions --**  
3382 **Certification -- Rulemaking authority.**

3383 (1) As used in this section:

3384 (a) (i) "Active solar system" means a system of equipment that is capable of:

3385 (A) collecting and converting incident solar radiation into thermal, mechanical, or  
3386 electrical energy; and

3387 (B) transferring a form of energy described in Subsection (1)(a)(i)(A) by a separate  
3388 apparatus to storage or to the point of use.

3389 (ii) "Active solar system" includes water heating, space heating or cooling, and  
3390 electrical or mechanical energy generation.

3391 (b) "Biomass system" means a system of apparatus and equipment for use in:

3392 (i) converting material into biomass energy, as defined in Section 59-12-102; and

3393 (ii) transporting the biomass energy by separate apparatus to the point of use or storage.

3394 (c) "Direct use geothermal system" means a system of apparatus and equipment that  
3395 enables the direct use of geothermal energy to meet energy needs, including heating a building,  
3396 an industrial process, and aquaculture.

3397 (d) "Geothermal electricity" means energy that is:

3398 (i) contained in heat that continuously flows outward from the earth; and

3399 (ii) used as a sole source of energy to produce electricity.

3400 (e) "Geothermal energy" means energy generated by heat that is contained in the earth.

3401 (f) "Geothermal heat pump system" means a system of apparatus and equipment that:

3402 (i) enables the use of thermal properties contained in the earth at temperatures well  
3403 below 100 degrees Fahrenheit; and

3404 (ii) helps meet heating and cooling needs of a structure.

3405 (g) "Hydroenergy system" means a system of apparatus and equipment that is capable  
3406 of:

- 3407 (i) intercepting and converting kinetic water energy into electrical or mechanical  
3408 energy; and
- 3409 (ii) transferring this form of energy by separate apparatus to the point of use or storage.
- 3410 (h) "Office" means the Office of Energy Development created in Section 79-6-401.
- 3411 (i) (i) "Passive solar system" means a direct thermal system that utilizes the structure of  
3412 a building and its operable components to provide for collection, storage, and distribution of  
3413 heating or cooling during the appropriate times of the year by utilizing the climate resources  
3414 available at the site.
- 3415 (ii) "Passive solar system" includes those portions and components of a building that  
3416 are expressly designed and required for the collection, storage, and distribution of solar energy.
- 3417 (j) "Photovoltaic system" means an active solar system that generates electricity from  
3418 sunlight.
- 3419 (k) (i) "Principal recovery portion" means the portion of a lease payment that  
3420 constitutes the cost a person incurs in acquiring a residential energy system.
- 3421 (ii) "Principal recovery portion" does not include:
- 3422 (A) an interest charge; or
- 3423 (B) a maintenance expense.
- 3424 (l) "Residential energy system" means the following used to supply energy to or for a  
3425 residential unit:
- 3426 (i) an active solar system;
- 3427 (ii) a biomass system;
- 3428 (iii) a direct use geothermal system;
- 3429 (iv) a geothermal heat pump system;
- 3430 (v) a hydroenergy system;
- 3431 (vi) a passive solar system; or
- 3432 (vii) a wind system.
- 3433 (m) (i) "Residential unit" means a house, condominium, apartment, or similar dwelling  
3434 unit that:
- 3435 (A) is located in the state; and
- 3436 (B) serves as a dwelling for a person, group of persons, or a family.
- 3437 (ii) "Residential unit" does not include property subject to a fee under:

- 3438 (A) Section 59-2-405;
- 3439 (B) Section 59-2-405.1;
- 3440 (C) Section 59-2-405.2;
- 3441 (D) Section 59-2-405.3; or
- 3442 (E) Section 72-10-110.5.
- 3443 (n) "Wind system" means a system of apparatus and equipment that is capable of:
- 3444 (i) intercepting and converting wind energy into mechanical or electrical energy; and
- 3445 (ii) transferring these forms of energy by a separate apparatus to the point of use or
- 3446 storage.
- 3447 (2) A claimant, estate, or trust may claim an energy system tax credit as provided in
- 3448 this section against a tax due under this chapter for a taxable year.
- 3449 (3) For a taxable year beginning on or after January 1, 2007, a claimant, estate, or trust
- 3450 may claim a nonrefundable tax credit under this section with respect to a residential unit the
- 3451 claimant, estate, or trust owns or uses if:
- 3452 (a) the claimant, estate, or trust:
- 3453 (i) purchases and completes a residential energy system to supply all or part of the
- 3454 energy required for the residential unit; or
- 3455 (ii) participates in the financing of a residential energy system to supply all or part of
- 3456 the energy required for the residential unit;
- 3457 (b) the residential energy system is installed on or after January 1, 2007; and
- 3458 (c) the claimant, estate, or trust obtains a written certification from the office in
- 3459 accordance with Subsection (5).
- 3460 (4) (a) For a residential energy system, other than a photovoltaic system, the tax credit
- 3461 described in this section is equal to the lesser of:
- 3462 (i) 25% of the reasonable costs, including installation costs, of each residential energy
- 3463 system installed with respect to each residential unit the claimant, estate, or trust owns or uses;
- 3464 and
- 3465 (ii) \$2,000.
- 3466 (b) Subject to Subsection (5)(d), for a residential energy system that is a photovoltaic
- 3467 system, the tax credit described in this section is equal to the lesser of:
- 3468 (i) 25% of the reasonable costs, including installation costs, of each system installed

3469 with respect to each residential unit the claimant, estate, or trust owns or uses; or

3470 (ii) (A) for a system installed on or after January 1, 2007, but on or before December  
3471 31, 2017, \$2,000;

3472 (B) for a system installed on or after January 1, 2018, but on or before December 31,  
3473 2020, \$1,600;

3474 (C) for a system installed on or after January 1, 2021, but on or before December 31,  
3475 2021, \$1,200;

3476 (D) for a system installed on or after January 1, 2022, but on or before December 31,  
3477 2022, \$800;

3478 (E) for a system installed on or after January 1, 2023, but on or before December 31,  
3479 2023, \$400; and

3480 (F) for a system installed on or after January 1, 2024, \$0.

3481 (c) (i) The office shall determine the amount of the tax credit that a claimant, estate, or  
3482 trust may claim and list that amount on the written certification that the office issues under  
3483 Subsection (5).

3484 (ii) The claimant, estate, or trust may claim the tax credit in the amount listed on the  
3485 written certification that the office issues under Subsection (5).

3486 (d) A claimant, estate, or trust may claim a tax credit under Subsection (3) for the  
3487 taxable year in which the residential energy system is installed.

3488 (e) If the amount of a tax credit listed on the written certification exceeds a claimant's,  
3489 estate's, or trust's tax liability under this chapter for a taxable year, the claimant, estate, or trust  
3490 may carry forward the amount of the tax credit exceeding the liability for a period that does not  
3491 exceed the next four taxable years.

3492 (f) A claimant, estate, or trust may claim a tax credit with respect to additional  
3493 residential energy systems or parts of residential energy systems for a subsequent taxable year  
3494 if the total amount of tax credit the claimant, estate, or trust claims does not exceed \$2,000 per  
3495 residential unit.

3496 (g) (i) Subject to Subsections (4)(g)(ii) and (iii), a claimant, estate, or trust that leases a  
3497 residential energy system installed on a residential unit may claim a tax credit under Subsection  
3498 (3) if the claimant, estate, or trust confirms that the lessor irrevocably elects not to claim the tax  
3499 credit.

3500 (ii) A claimant, estate, or trust described in Subsection (4)(g)(i) that leases a residential  
3501 energy system may claim as a tax credit under Subsection (3) only the principal recovery  
3502 portion of the lease payments.

3503 (iii) A claimant, estate, or trust described in Subsection (4)(g)(i) that leases a  
3504 residential energy system may claim a tax credit under Subsection (3) for a period that does not  
3505 exceed seven taxable years after the date the lease begins, as stated in the lease agreement.

3506 (h) If a claimant, estate, or trust sells a residential unit to another person before the  
3507 claimant, estate, or trust claims the tax credit under Subsection (3):

3508 (i) the claimant, estate, or trust may assign the tax credit to the other person; and

3509 (ii) (A) if the other person files a return under Chapter 7, Corporate Franchise and  
3510 Income Taxes, the other person may claim the tax credit as if the other person had met the  
3511 requirements of Section 59-7-614 to claim the tax credit; or

3512 (B) if the other person files a return under this chapter, the other person may claim the  
3513 tax credit under this section as if the other person had met the requirements of this section to  
3514 claim the tax credit.

3515 (5) (a) Before a claimant, estate, or trust may claim a tax credit under this section, the  
3516 claimant, estate, or trust shall obtain a written certification from the office.

3517 (b) The office shall issue a claimant, estate, or trust a written certification if the office  
3518 determines that:

3519 (i) the claimant, estate, or trust meets the requirements of this section to receive a tax  
3520 credit; and

3521 (ii) the office determines that the residential energy system with respect to which the  
3522 claimant, estate, or trust seeks to claim a tax credit:

3523 (A) has been completely installed;

3524 (B) is a viable system for saving or producing energy from [~~renewable~~] clean  
3525 resources; and

3526 (C) is safe, reliable, efficient, and technically feasible to ensure that the residential  
3527 energy system uses the state's renewable and nonrenewable energy resources in an appropriate  
3528 and economic manner.

3529 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3530 office may make rules:

3531 (i) for determining whether a residential energy system meets the requirements of  
3532 Subsection (5)(b)(ii); and

3533 (ii) for purposes of determining the amount of a tax credit that a claimant, estate, or  
3534 trust may receive under Subsection (4), establishing the reasonable costs of a residential energy  
3535 system, as an amount per unit of energy production.

3536 (d) A claimant, estate, or trust that obtains a written certification from the office shall  
3537 retain the certification for the same time period a person is required to keep books and records  
3538 under Section 59-1-1406.

3539 (e) The office shall submit to the commission an electronic list that includes:

3540 (i) the name and identifying information of each claimant, estate, or trust to which the  
3541 office issues a written certification; and

3542 (ii) for each claimant, estate, or trust:

3543 (A) the amount of the tax credit listed on the written certification; and

3544 (B) the date the ~~[renewable]~~ clean energy system was installed.

3545 (6) A tax credit under this section is in addition to any tax credits provided under the  
3546 laws or rules and regulations of the United States.

3547 (7) A purchaser of one or more solar units that claims a tax credit under Section  
3548 59-10-1024 for the purchase of the one or more solar units may not claim a tax credit under this  
3549 section for that purchase.

3550 Section 43. Section **63A-5b-702** is amended to read:

3551 **63A-5b-702. Standards and requirements for state facilities -- Life-cycle cost**  
3552 **effectiveness.**

3553 (1) As used in this section:

3554 (a) "Clean energy system" means a system designed to use solar, wind, geothermal  
3555 power, wood, hydropower, nuclear, or other clean energy source to heat, cool, or provide  
3556 electricity to a building.

3557 (b) "Life cycle cost-effective" means the most prudent cost of owning, operating, and  
3558 maintaining a facility, including the initial cost, energy costs, operation and maintenance costs,  
3559 repair costs, and the costs of energy conservation and ~~[renewable]~~ clean energy systems.

3560 ~~[(b) "Renewable energy system" means a system designed to use solar, wind,~~  
3561 ~~geothermal power, wood, or other replenishable energy source to heat, cool, or provide~~

3562 electricity to a building.]

3563 (2) The director shall, in accordance with Title 63G, Chapter 3, Utah Administrative  
3564 Rulemaking Act, make rules:

3565 (a) that establish standards and requirements for determining whether a state facility  
3566 project is life cycle cost-effective;

3567 (b) for the monitoring of an agency's operation and maintenance expenditures for a  
3568 state-owned facility;

3569 (c) to establish standards and requirements for utility metering;

3570 (d) that create an operation and maintenance program for an agency's facilities;

3571 (e) that establish a methodology for determining reasonably anticipated inflationary  
3572 costs for each operation and maintenance program described in Subsection (2)(d);

3573 (f) that require an agency to report the amount the agency receives and expends on  
3574 operation and maintenance; and

3575 (g) that provide for determining the actual cost for operation and maintenance requests  
3576 for a new facility.

3577 (3) The director shall:

3578 (a) ensure that state-owned facilities, except for facilities under the control of the State  
3579 Capitol Preservation Board, are life cycle cost-effective;

3580 (b) conduct ongoing facilities audits of state-owned facilities; and

3581 (c) monitor an agency's operation and maintenance expenditures for state-owned  
3582 facilities as provided in rules made under Subsection (2)(b).

3583 (4) (a) An agency shall comply with the rules made under Subsection (2) for new  
3584 facility requests submitted to the Legislature for a session of the Legislature after the 2017  
3585 General Session.

3586 (b) The Office of the Legislative Fiscal Analyst and the Governor's Office of Planning  
3587 and Budget shall, for each agency with operation and maintenance expenses, ensure that each  
3588 required budget for the agency is adjusted in accordance with the rules described in Subsection  
3589 (2)(e).

3590 Section 44. Section **63H-1-201** is amended to read:

3591 **63H-1-201. Creation of military installation development authority -- Status and**  
3592 **powers of authority -- Limitation.**

- 3593 (1) There is created a military installation development authority.
- 3594 (2) The authority is:
- 3595 (a) an independent, nonprofit, separate body corporate and politic, with perpetual
- 3596 succession and statewide jurisdiction, whose purpose is to facilitate the development of land
- 3597 within a project area or on military land associated with a project area;
- 3598 (b) a political subdivision of the state; and
- 3599 (c) a public corporation, as defined in Section [63E-1-102](#).
- 3600 (3) The authority may:
- 3601 (a) facilitate the development of land within one or more project areas, including the
- 3602 ongoing operation of facilities within a project area, or development of military land associated
- 3603 with a project area;
- 3604 (b) sue and be sued;
- 3605 (c) enter into contracts generally;
- 3606 (d) by itself or through a subsidiary, buy, obtain an option upon, or otherwise acquire
- 3607 any interest in real or personal property:
- 3608 (i) in a project area; or
- 3609 (ii) outside a project area for public infrastructure and improvements, if the board
- 3610 considers the purchase, option, or other interest acquisition to be necessary for fulfilling the
- 3611 authority's development objectives;
- 3612 (e) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or
- 3613 personal property;
- 3614 (f) enter into a lease agreement on real or personal property, either as lessee or lessor:
- 3615 (i) in a project area; or
- 3616 (ii) outside a project area, if the board considers the lease to be necessary for fulfilling
- 3617 the authority's development objectives;
- 3618 (g) provide for the development of land within a project area or military land
- 3619 associated with the project area under one or more contracts;
- 3620 (h) exercise powers and perform functions under a contract, as authorized in the
- 3621 contract;
- 3622 (i) exercise exclusive police power within a project area to the same extent as though
- 3623 the authority were a municipality, including the collection of regulatory fees;

- 3624 (j) receive the property tax allocation and other taxes and fees as provided in this  
3625 chapter;
- 3626 (k) accept financial or other assistance from any public or private source for the  
3627 authority's activities, powers, and duties, and expend any funds so received for any of the  
3628 purposes of this chapter;
- 3629 (l) borrow money, contract with, or accept financial or other assistance from the federal  
3630 government, a public entity, or any other source for any of the purposes of this chapter and  
3631 comply with any conditions of the loan, contract, or assistance;
- 3632 (m) issue bonds to finance the undertaking of any development objectives of the  
3633 authority, including bonds under Title 11, Chapter 17, Utah Industrial Facilities and  
3634 Development Act, and bonds under Title 11, Chapter 42, Assessment Area Act;
- 3635 (n) hire employees, including contract employees;
- 3636 (o) transact other business and exercise all other powers provided for in this chapter;
- 3637 (p) enter into a development agreement with a developer of land within a project area;
- 3638 (q) enter into an agreement with a political subdivision of the state under which the  
3639 political subdivision provides one or more municipal services within a project area;
- 3640 (r) enter into an agreement with a private contractor to provide one or more municipal  
3641 services within a project area;
- 3642 (s) provide for or finance an energy efficiency upgrade, a [renewable] clean energy  
3643 system, or electric vehicle charging infrastructure as defined in Section 11-42a-102, in  
3644 accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act;
- 3645 (t) exercise powers and perform functions that the authority is authorized by statute to  
3646 exercise or perform;
- 3647 (u) enter into an agreement with the federal government or an agency of the federal  
3648 government under which the federal government or agency:
  - 3649 (i) provides law enforcement services only to military land within a project area; and
  - 3650 (ii) may enter into a mutual aid or other cooperative agreement with a law enforcement  
3651 agency of the state or a political subdivision of the state;
- 3652 (v) by itself or through a subsidiary, act as a facilitator under Title 63N, Chapter 13,  
3653 Part 3, Facilitating Public-private Partnerships Act, to provide expertise and knowledge to  
3654 another governmental entity interested in public-private partnerships;

3655 (w) enter into an intergovernmental support agreement under Title 10, U.S.C. Sec.  
3656 2679 with the military to provide support services to the military in accordance with the  
3657 agreement;

3658 (x) act as a developer, or assist a developer chosen by the military, to develop military  
3659 land as part of an enhanced use lease under Title 10, U.S.C. Sec. 2667; and

3660 (y) develop public infrastructure and improvements.

3661 (4) The authority may not itself provide law enforcement service or fire protection  
3662 service within a project area but may enter into an agreement for one or both of those services,  
3663 as provided in Subsection (3)(q).

3664 (5) The authority shall provide support to a subsidiary that enters into an agreement  
3665 under Subsection (3)(v) that the authority determines necessary for the subsidiary to fulfill the  
3666 requirements of the agreement.

3667 (6) Because providing procurement, utility, construction, and other services for use by  
3668 a military installation, including providing public infrastructure and improvements for use or  
3669 occupancy by the military, are core functions of the authority and are typically provided by a  
3670 local government for the local government's own needs or use, these services provided by the  
3671 authority for the military under this chapter are considered to be for the authority's own needs  
3672 and use.

3673 (7) A public infrastructure district created by the authority under Title 17D, Chapter 4,  
3674 Public Infrastructure District Act, is a subsidiary of the authority.

3675 Section 45. Section **63L-11-304** is amended to read:

3676 **63L-11-304. Public lands transfer study and economic analysis -- Report.**

3677 (1) As used in this section:

3678 (a) "Public lands" means the same as that term is defined in Section [63L-6-102](#).

3679 (b) "Transfer of public lands" means the transfer of public lands from federal  
3680 ownership to state ownership.

3681 (2) The office shall, on an ongoing basis, report to the Federalism Commission  
3682 regarding the ramifications and economic impacts of the transfer of public lands.

3683 (3) The office shall:

3684 (a) on an ongoing basis, discuss issues related to the transfer of public lands with:

3685 (i) the School and Institutional Trust Lands Administration;

- 3686 (ii) local governments;
- 3687 (iii) water managers;
- 3688 (iv) environmental advocates;
- 3689 (v) outdoor recreation advocates;
- 3690 (vi) nonconventional, ~~and~~ renewable, and clean energy producers;
- 3691 (vii) tourism representatives;
- 3692 (viii) wilderness advocates;
- 3693 (ix) ranchers and agriculture advocates;
- 3694 (x) oil, gas, and mining producers;
- 3695 (xi) fishing, hunting, and other wildlife interests;
- 3696 (xii) timber producers;
- 3697 (xiii) other interested parties; and
- 3698 (xiv) the Federalism Commission; and
- 3699 (b) develop ways to obtain input from citizens of the state regarding the transfer of
- 3700 public lands and the future care and use of public lands.

3701 Section 46. Section **79-3-202** is amended to read:

3702 **79-3-202. Powers and duties of survey.**

3703 (1) The survey shall:

3704 (a) assist and advise state and local agencies and state educational institutions on  
3705 geologic, paleontologic, and mineralogic subjects;

3706 (b) collect and distribute reliable information regarding the mineral industry and  
3707 mineral resources, topography, paleontology, and geology of the state;

3708 (c) survey the geology of the state, including mineral occurrences and the ores of  
3709 metals, energy resources, industrial minerals and rocks, mineral-bearing waters, and surface  
3710 and ground water resources, with special reference to their economic contents, values, uses,  
3711 kind, and availability in order to facilitate their economic use;

3712 (d) investigate the kind, amount, and availability of mineral substances contained in  
3713 lands owned and controlled by the state, to contribute to the most effective and beneficial  
3714 administration of these lands for the state;

3715 (e) determine and investigate areas of geologic and topographic hazards that could  
3716 affect the safety of, or cause economic loss to, the citizens of the state;

3717 (f) assist local and state agencies in their planning, zoning, and building regulation  
3718 functions by publishing maps, delineating appropriately wide special earthquake risk areas,  
3719 and, at the request of state agencies or other governmental agencies, review the siting of critical  
3720 facilities;

3721 (g) cooperate with state agencies, political subdivisions of the state,  
3722 quasi-governmental agencies, federal agencies, schools of higher education, and others in fields  
3723 of mutual concern, which may include field investigations and preparation, publication, and  
3724 distribution of reports and maps;

3725 (h) collect and preserve data pertaining to mineral resource exploration and  
3726 development programs and construction activities, such as claim maps, location of drill holes,  
3727 location of surface and underground workings, geologic plans and sections, drill logs, and  
3728 assay and sample maps, including the maintenance of a sample library of cores and cuttings;

3729 (i) study and analyze other scientific, economic, or aesthetic problems as, in the  
3730 judgment of the board, should be undertaken by the survey to serve the needs of the state and to  
3731 support the development of natural resources and utilization of lands within the state;

3732 (j) prepare, publish, distribute, and sell maps, reports, and bulletins, embodying the  
3733 work accomplished by the survey, directly or in collaboration with others, and collect and  
3734 prepare exhibits of the geological and mineral resources of this state and interpret their  
3735 significance;

3736 (k) collect, maintain, and preserve data and information in order to accomplish the  
3737 purposes of this section and act as a repository for information concerning the geology of this  
3738 state;

3739 (l) stimulate research, study, and activities in the field of paleontology;

3740 (m) mark, protect, and preserve critical paleontological sites;

3741 (n) collect, preserve, and administer critical paleontological specimens until the  
3742 specimens are placed in a repository or curation facility;

3743 (o) administer critical paleontological site excavation records;

3744 (p) edit and publish critical paleontological records and reports;

3745 (q) by following the procedures and requirements of Title 63J, Chapter 5, Federal  
3746 Funds Procedures Act, seek federal grants, loans, or participation in federal programs, and, in  
3747 accordance with applicable federal program guidelines, administer federally funded state

3748 programs regarding:

3749 (i) renewable energy;

3750 (ii) energy efficiency; [~~and~~]

3751 (iii) energy conservation; and

3752 (iv) clean energy; and

3753 (r) collect the land use permits described in Sections [10-9a-521](#) and [17-27a-520](#).

3754 (2) (a) The survey may maintain as confidential, and not as a public record,

3755 information provided to the survey by any source.

3756 (b) The board shall adopt rules in order to determine whether to accept the information  
3757 described in Subsection (2)(a) and to maintain the confidentiality of the accepted information.

3758 (c) The survey shall maintain information received from any source at the level of  
3759 confidentiality assigned to it by the source.

3760 (3) Upon approval of the board, the survey shall undertake other activities consistent  
3761 with Subsection (1).

3762 (4) (a) Subject to the authority granted to the department, the survey may enter into  
3763 cooperative agreements with the entities specified in Subsection (1)(g), if approved by the  
3764 board, and may accept or commit allocated or budgeted funds in connection with those  
3765 agreements.

3766 (b) The survey may undertake joint projects with private entities if:

3767 (i) the action is approved by the board;

3768 (ii) the projects are not inconsistent with the state's objectives; and

3769 (iii) the results of the projects are available to the public.

3770 Section 47. **Effective date.**

3771 This bill takes effect on May 1, 2024.